



ANNUAL ACCOUNTABILITY REPORT

Fiscal Year 2007-08

Accountability Report Transmittal Form

Agency Name – S.C. Department of Disabilities and Special Needs

Date of Submission – September 15, 2008

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**South Carolina Department of Disabilities and Special Needs
2007-2008 Accountability Report**

Section I – Executive Summary

Mission, Vision and Values

The South Carolina Department of Disabilities and Special Needs (DDSN), as stated in Section 44-20-240 of the South Carolina Code of Laws, has authority over all the state's services and programs for South Carolinians with severe lifelong disabilities, including mental retardation and related disabilities, autism, traumatic brain injury, and spinal cord injury and similar disabilities. Primary responsibilities include planning, development and provision of a full range of services for children and adults, ensuring that all services and supports provided meet or exceed acceptable standards, and improve the quality of services and efficiency of operations. The department advocates for people with severe lifelong disabilities both as a group and as individuals, coordinates services with other agencies and promotes and implements prevention activities to reduce the occurrence of both primary and secondary disabilities.

VISION - WHERE WE ARE GOING!

To provide the very best services to assist persons with disabilities
and their families in South Carolina.

MISSION - WHAT WE DO!

Assist people with disabilities and their families
through choice in meeting needs, pursuing possibilities and achieving life goals;
and minimize the occurrence and reduce the severity of disabilities through prevention.

VALUES - OUR GUIDING BELIEFS!

Health, safety and well-being of each person
Dignity and respect for each person
Individual and family participation, choice, control and responsibility
Relationships with family, friends and community connections
Personal growth and accomplishments

PRINCIPLES - FEATURES OF SERVICES AND SUPPORTS!

Person-Centered
Responsive, efficient and accountable
Practical, positive and appropriate
Strengths-based, results-oriented
Opportunities to be productive and maximize potential
Best and promising practices

Adopted 11/20/03

Major Achievements for Fiscal Year 2007-2008

Meeting Service Needs: DDSN currently serves over 29,000 persons with mental retardation and related disabilities, autism, head injury and spinal cord injury. Approximately 82 percent of these individuals live at home with their families, which compares to only 60 percent nationally. The remaining 18 percent of individuals have the most severe disabilities and complex needs that cannot be met at home and require 24-hour care provided in community residential settings or in one of five state-operated regional centers. (See Figure 7.1-1 and Figure 7.2-1, also Figure 7.2-5 and Figure 7.5-2)

Community residential services and in-home support services are provided through contracts with local disabilities and special needs boards and other community providers. The department works closely with consumers and families, service providers, advocacy organizations, the executive and legislative

branches of government, county officials, state and federal agencies, the business community, and the general public. These partnerships are integral to strategic planning, ensuring health and safety, and measuring outcomes and customer satisfaction.

DDSN was appropriated new funds in fiscal year 2006 and 2007 for the development of community residential beds. This new funding amounted to over 560 new beds being authorized to serve needs of individuals in critical circumstances, living with aging caregivers, and those on the residential waiting list. (See Figure 7.1-7, also Figure 7.1-8 and Figure 7.2-3) As of June 30, 2008, DDSN has developed 449 new beds for individuals in need of residential services.

This achievement not only helped families but also helped to reduce South Carolina's vulnerability to a lawsuit based on the U.S. Supreme Court's Olmstead decision which requires that waiting lists move at a reasonable pace. In addition to residential services, in-home individual and family support services expanded significantly. Home and community-based waiver services were provided to over 600 individuals. Other in-home supports were provided for approximately 950 persons to enable them to remain in their own home or their family's home. Providing these new services and increasing services to some individuals was accomplished with new state dollars but also through natural attrition, prioritizing the needs of individuals, improving the use of Medicaid reimbursements, and reducing administration further. (See Figure 7.3-3, also Figure 7.2-9)

New Federal Mandates: During FY 2007-2008 DDSN was notified of two major changes to Medicaid requirements which would directly affect over 3,000 DDSN service consumers and \$18 million of service funds. The agency had to develop and implement plans very quickly to adapt to these new Medicaid requirements. The first change would directly affect the day supports of over 2,100 individuals currently being served. These consumers were receiving a Rehabilitation Service Option funded by Medicaid. However, the new federal changes in rulemaking regarding this service option meant Medicaid would no longer pay for this service. DDSN was spending \$17 million on this day service for the 2,159 individuals with mental retardation and autism. Medicaid was reimbursing the agency \$11.9 million. Without the Medicaid funding, services could not be maintained. DDSN implemented a two-part plan. A new Medicaid community service option waiver was developed by DDSN for DHHS and CMS approval that would allow the agency to continue the day supports for these consumers. This was complex as the new waiver had to be developed to meet the needs of a broader group of consumers which in turn impacts both other support services and increased eligibility of existing consumers for additional services. The second part of the plan was a new budget request for over \$2 million to maintain existing services and prevent the need for \$12 million new state funds to continue the existing service with 100% state funds. Further, it would ultimately serve more individuals and enhance service options for the 2,100 consumers whose service must be converted under the new Medicaid rules. The result is that the General Assembly and Governor approved this funding. DDSN staff continues to collaborate with DHHS on the new waiver application to be submitted in fall 2008. The state was informed of the second big Medicaid change in December 2007. These changes in federal rulemaking would have impacted case management services effective March 2008 and affected approximately 900 consumers. A plan of adjustment was developed; however, a Congressional moratorium was imposed.

New Pervasive Developmental Disorder (PDD) Program and Medicaid Waiver: One specific area of service development is the new PDD Program to assist families seeking specialized applied behavior therapy for children with diagnoses of Autism or Asperger's Syndrome. The 2007-2008 Appropriations Act authorized \$7.5 million; however, \$4.5 million of these funds was funded with one-time funding. It was estimated that \$7.5 million of funding could serve approximately 500 children over time if all the funding was appropriated with recurring dollars. Some children were to be served through a new Medicaid waiver and some with 100% state funds. Every effort was made to obtain Medicaid eligibility for each child as this would help more children receive the services they need. DDSN and DHHS staff worked together and completed a new Medicaid waiver application in a record quick time which was

approved by CMS (federal Medicaid). This was only the second waiver of this type in the nation to receive CMS approval. As of early June 2008, a total of 356 children have been accepted in the Pervasive Developmental Disorder Program. There are 378 children on the waiting list. Of the children currently participating in the program, 85 percent meet Medicaid eligibility criteria and 15 percent are participating with 100 percent state funds. It was originally estimated that only 60 percent of the children would be Medicaid eligible versus the current rate of 85 percent. These changes in current numbers result in more children being served.

Also in FY 2008, CMS approved DDSN's request to amend the waiver to increase the number of children served. Further, the agency implemented the option of self-directed services to increase choice for families. A fiscal intermediary service was developed for families who choose to hire and coordinate their own direct line therapists. Increasing choices of providers for families continues. To date there are 13 qualified companies who, when combined, represent 32 DDSN-qualified professionals who can conduct adaptive assessments. Another five professionals are seeking DDSN-qualified status. In addition, DDSN and the University of South Carolina (USC) entered into a new collaborative agreement in FY 2008. DDSN is contracting with USC to increase the capacity of qualified Behavior Analyst providers. USC now offers five graduate-level courses that will prepare individuals to meet the waiver criteria as an approved provider. The first class began the 2007 fall semester.

New Post-Acute Medical Rehabilitation Service: Medical rehabilitation is critical to getting the best possible outcomes following a traumatic injury. Over the years the lack of these rehabilitation services had been identified as a significant gap in medical care in South Carolina. DDSN formed a group of stakeholders to define the scope of the problem, identify barriers to services, and review service models and program designs. DDSN staff worked with the stakeholders to estimate annual demand for the service, costs and projected benefits. DDSN then developed a budget request item using this information. The result was a positive response from the Legislature and Governor, appropriating \$2.1 million to DDSN to develop this brand new service program. DDSN is currently contracting with three CARF accredited hospitals and at least 23 individuals have been or are participating in treatment.

Improved Quality and Accountability: DDSN receives and utilizes approximately \$300 million in federal Medicaid funding to provide services. Compliance with Medicaid standards is essential, and recent federal reviews have been favorable. Federal officials noted the progress made and were impressed with the agency's efforts to strengthen opportunities for consumer choice, the system for tracking critical incidents, and DDSN's initiative to outsource a major portion of quality assurance. DDSN completed its seventh year of its independent quality assurance initiative through a bid contract to a nationally recognized vendor. This method is more objective, efficient, provides better data to further improve services and processes, and gives the department more ways to compare South Carolina with national data and to trend and evaluate provider progress over time. In addition, South Carolina is the first state in the nation to conduct an independent comprehensive assessment of its quality assurance system in relation to CMS' (federal Medicaid) Quality Framework. This enabled DDSN to measure the validity of South Carolina's model while enabling the federal government to test, for the first time, the practicality of their framework concept. DDSN was awarded a three-year federal Real Choices grant to accomplish this. An important purpose of the study was to examine the various data sources and indicators to identify if there were any gaps in the current DDSN mix of activities and make adjustments as needed. The stakeholders Advisory Council consisting of consumers and family members gathered direct input from stakeholders through 30 focus group meetings held across South Carolina. A statewide conference in the fall of 2007 presented the preliminary results of the study.

Key Strategic Goals

1. Broaden the range and improve the quality of supports and services responsive to the needs of individuals with disabilities and their families.
 - a. Expand the scope of services and supports to address the needs of eligible persons in crisis situations and on waiting lists. (See Figure 7.1-7)

- b. Promote and encourage choice of service providers and allow consumers to select services they need from qualified providers they prefer within individually assessed resource limits.
 - c. Provide information on service resources, requirements and options to individuals and families.
 - d. Increase the proportion of community integrated options for persons in regional centers and in the community pursuant to the Olmstead U.S. Supreme Court decision.
 - e. Maximize federal and state resources by using more efficient service models. (See Figure 7.3-3 also Figure 7.3-5)
 - f. Coordinate and partner with other agencies in areas of mutual interest to maximize resources and to avoid duplication. (See Figure 7.2-7)
2. Maintain accountability to all citizens of South Carolina by strengthening quality of services.
 - a. Continue implementation of a performance measurement system linked to customer satisfaction and achievement of consumer's outcomes.
 - b. Continue to track and analyze performance data and trends in support of quality improvement initiatives.
 - c. Enhance quality assurance and quality improvement initiatives and maintain compliance with federal standards.
 - d. Minimize the occurrence and reduce the severity of disabilities through primary and secondary prevention initiatives.

Key Strategic Challenges

- | | |
|--------------------|---|
| Mission: | <ul style="list-style-type: none"> ● Meet increased levels of service demand ● Expand and broaden resources |
| Operational: | <ul style="list-style-type: none"> ● Implement Medicaid changes in ways that minimize negative impact to services and costs ● Manage critical cases and reduce waiting lists ● Improve quality |
| Human Resource: | <ul style="list-style-type: none"> ● Recruit and retain nurses ● Prepare for reduced workforce pool |
| Financial: | <ul style="list-style-type: none"> ● Maximize Medicaid ● Manage budget reductions and one-time appropriations for recurring services ● Increase resources to meet increased service needs |
| Community-related: | <ul style="list-style-type: none"> ● Meet increased consumer demands ● Meet taxpayer expectations ● Increase levels of acceptance and inclusion of people with disabilities |

Use of Accountability Report to Improve Organizational Performance

The annual accountability report reflects the agency's primary mission, its major initiatives to carry out that mission and its performance on the implementation of its responsibilities. It is an excellent report card that is useful as both an informational and educational tool available to everyone including the taxpayers, policy makers, service consumers, advocates, and staff. Throughout the year a variety of approaches are utilized to measure agency operations, processes and systems. Data is collected uniformly across the state and analyzed in a variety of ways. Preparation of the accountability report nicely coincides with preparation of a semiannual work session, fiscal year and reviews and national data collection. Comparative data used to prepare Category 7 – Results offers the agency the opportunity to ensure that its strategic goals and allocation of resources are aligned appropriately and to compare effectiveness over time. It demonstrates the systematic comparison of DDSN's practices, outcomes and efficiencies to national benchmarks.

Section II – Organizational Profile

❖ Main Products

DDSN and its statewide network of local providers began implementing a new service-delivery approach statewide in July 1998. This approach, called Person-Centered Services, gives South Carolinians with disabilities and their families more choice and control of the services and supports they receive from DDSN. Person-centered services provide tools and processes for achieving the results individuals and families desire. Consumers set goals and develop a plan that identifies the services and supports they need, and who will provide these services. Consumers and others evaluate the plan and the services and supports delivered, in terms of actual results produced in the person's life and how satisfied he or she is with the supports provided. The department structures services so that the greatest number of people possible can be served and, at the same time, insure that out-of-home care is available for those individuals with the most critical needs.

❖ Main Services

In-home Individual and Family Support Services: It is rare that a better, more desirable service costs less, but that is the case with in-home family support. Preventing unnecessary and costly out-of-home placements for individuals with severe lifelong disabilities is the main objective of the in-home individual and family support program. In-home services provide the supports necessary to enable the consumer to continue living at home. In-home supports include day services, supported employment, early intervention, respite, stipends, rehabilitation support services and behavior support services.

Employment Services: DDSN provides employment services to train and supervise individuals in the skills and knowledge required for different levels of employment. Some individuals receive individualized supported employment at their own worksite, while others are provided group employment in enclaves at various business and factory worksites.

Community Residential Services: Small, family-like community residential services provide 24-hour care, yet cost less than the cost of state operated regional center placements. (See Figure 7.1-4 and 7.2-2)

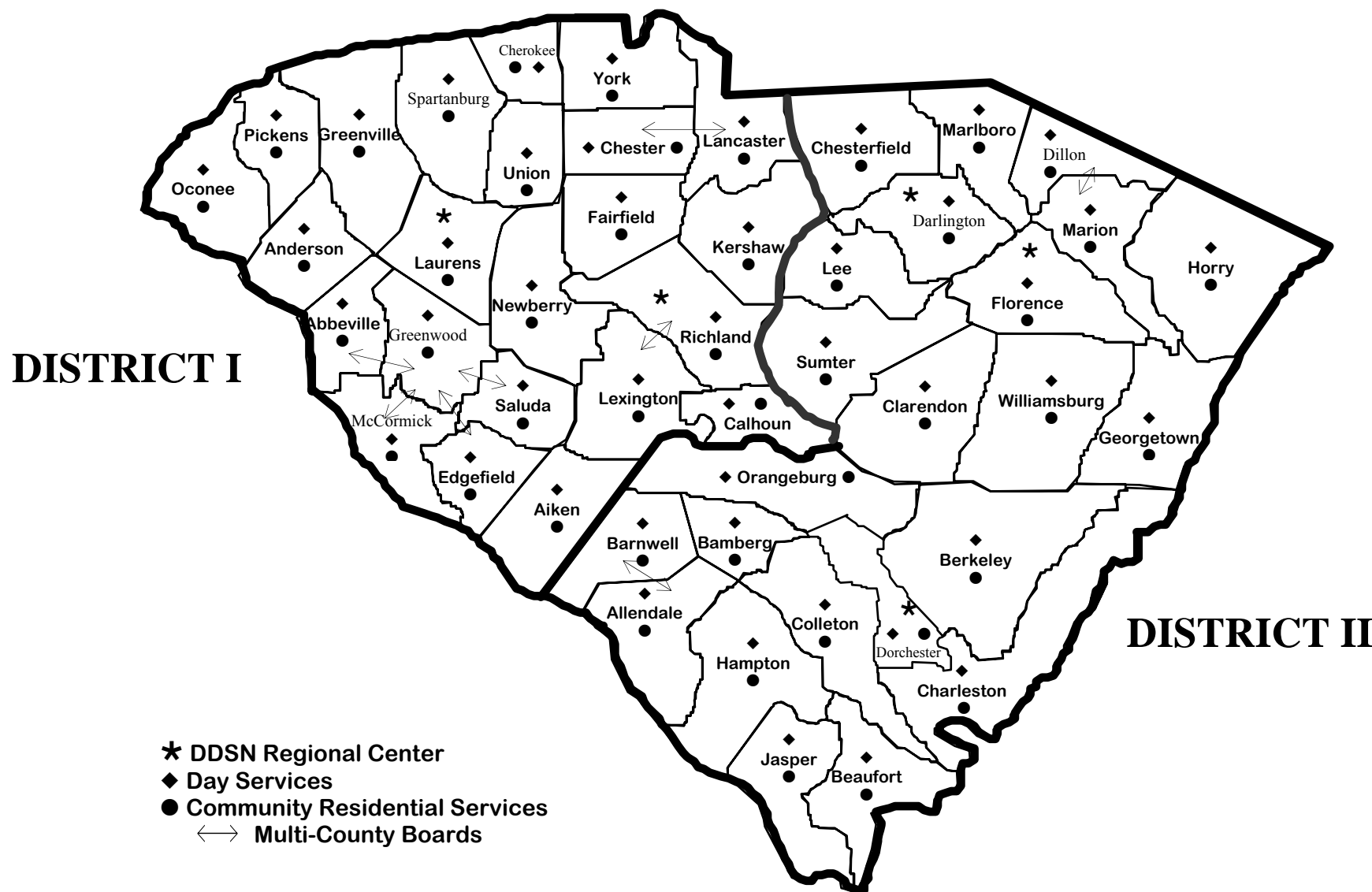
Regional Centers: Regional Centers serve persons with the most complex needs. The centers are the most expensive residential alternative due to the level of care and supervision needed.

Prevention Services: The emphasis is on preventing disabilities, when possible. DDSN has initiated many prevention programs through contractual and other partnerships in order to prevent the occurrence of lifelong disabilities.

❖ Primary Service Delivery Methods and Systems

DDSN provides services to the majority of eligible individuals in their home communities, through contracts with local service-provider agencies. Most of these agencies are called Disabilities and Special Needs (DSN) Boards, serve every county in South Carolina and are the local, single point of entry into the State's organized disability service delivery system. Local DSN Boards are created by state statute and county ordinance. While they are not local state agencies with state employees, they are public entities, governmental bodies in nature and combine the best aspects of public and private organizations. DSN Boards provide a consistent level of services statewide; yet encourage local initiative, volunteerism and pride in service delivery. Local flavor and community preferences are present, yet services are provided at a consistent level of quality statewide.

**SC Department of Disabilities and Special Needs
DDSN Service Delivery**



❖ **Key Customer Segments and Key Requirements/Expectations**

DDSN's key customers are the individuals with disabilities and their families who receive services or who are eligible and waiting for services. DDSN serves more than 29,000 persons with mental retardation and related disabilities, autism, head injury or spinal cord injury. These disabling conditions are severe, life-long and chronic. (See Figure 7.1-1 and Figure 7.2-1, also Figure 7.2-5 and Figure 7.5-2)

❖ **Key Stakeholders**

DDSN's stakeholders include South Carolina citizens, community service provider organizations, the Governor's office, members of the General Assembly, families of the customers DDSN serves, advocates and advocacy organizations such as Family Connections, the ARC of the Midlands and South Carolina Spinal Cord Injury Peer Network.

❖ **Key Suppliers and Partners**

DDSN contracts with local provider organizations to provide services. The fluid working relationship between DDSN and the executive directors of these local service agencies, their board members and staff is very important to ensuring the continuous availability of high quality services. Disability advocates and their organizations are integral in promoting consumer-focused services and providing valuable feedback on effectiveness, issues and concerns. The Governor, his staff, members of the General Assembly and their staff are all very important partners in the system of services as they guide policy, appropriate funds and connect individual constituents to available services. DDSN partners with other state agencies to maximize services to its customers and ensure health and safety.

❖ **Operating Locations**

DDSN's operation locations cover all 46 counties of the State and include central administration located in Columbia; regional centers located in Columbia, Clinton, Ladson, Florence and Hartsville; district offices located in Clinton and Ladson; 39 Local DSN Boards, with some serving multiple counties.

❖ **DDSN Employees**

- 2,200 Classified/Unclassified Employees located throughout South Carolina
- 278 Temporary Employees utilized periodically during the year to cover existing vacancies and long-term absences due to illnesses, but not to supplement the work force on a permanent basis
- 8,183 Contract Employees (DDSN contracts with a statewide provider network to administer services to DDSN eligible individuals.)

❖ **Regulatory Environment**

The South Carolina Department of Disabilities and Special Needs (DDSN), as stated in Section 44-20-240 of the South Carolina Code of Laws, has authority over all the state's services and programs for South Carolinians with severe lifelong disabilities, including mental retardation and related disabilities, autism, traumatic brain injury, and spinal cord injury and similar disabilities. Various federal, state and local entities help regulate DDSN's operations.

❖ **Performance Improvement Systems**

DDSN undertakes specific measures to assure consumer health and safety, and to increase the quality of services and supports offered by its system of service providers through a variety of different methods. (See Figure 7.2-6 and Figure 7.5-3)

Risk Management – Risk management activities and programs strive to prevent negative occurrences in the lives of consumers. DDSN conducts many risk management activities using several different sources and measures. This is called purposeful redundancy which is used to assess from multiple angles the status of the health and welfare of the people DDSN supports.

Quality Assurance – Quality Improvement Activities – Once appropriate risk management activities are in place, then a strong quality assurance and quality improvement program (QA/QI) must rest on

a foundation of health, safety, and financial integrity. QA/QI activities such as: licensing, contractual compliance, personal outcome measures, consumer/family satisfaction measures, quality management, and other quality enhancement activities.

❖ **Agency Organizational Structure**

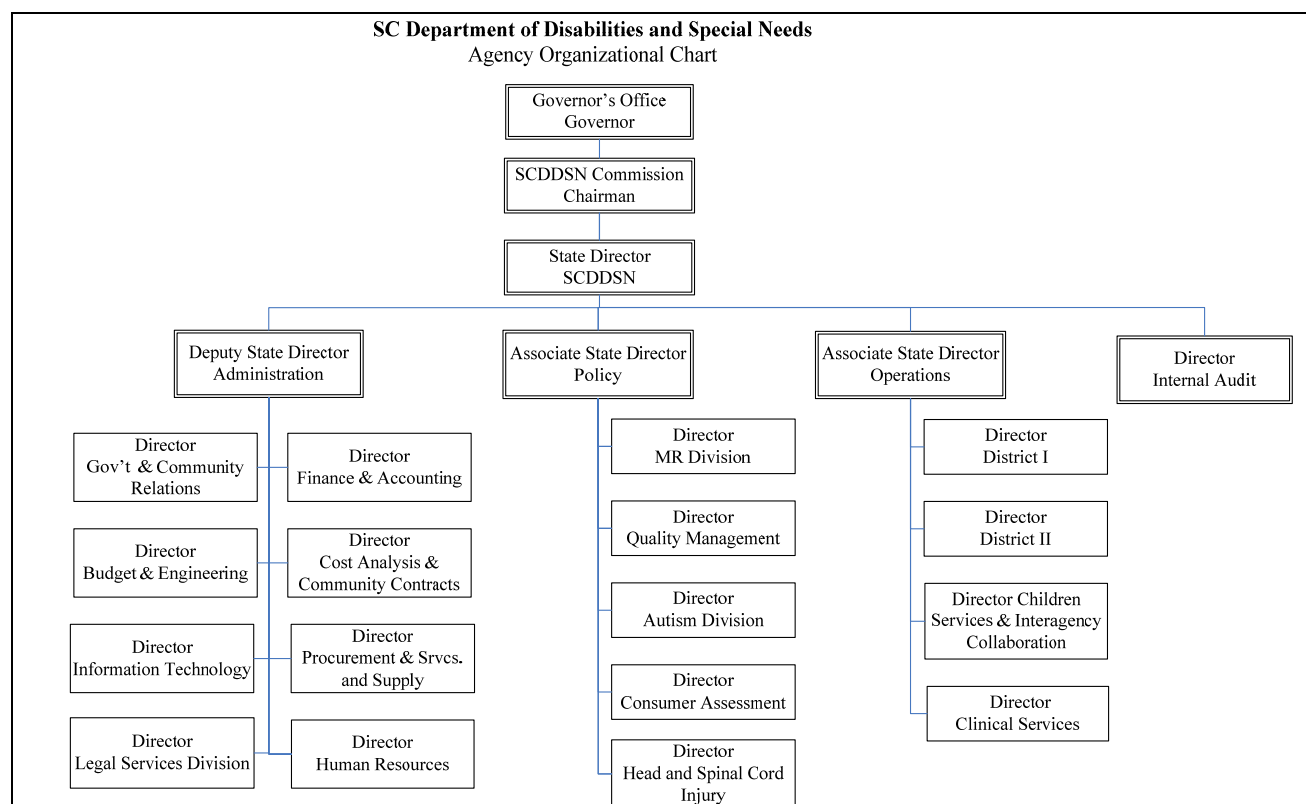
The South Carolina Department of Disabilities and Special Needs (DDSN) is the state agency that plans, develops, coordinates and funds services for South Carolinians with severe life-long disabilities including:

- Mental retardation and related disabilities
- Autism
- Traumatic brain injury and spinal cord injury and similar disabilities

DDSN is governed by a seven-member commission appointed by the Governor with the advice and consent of the Senate. A commission member is appointed from each of the state's six Congressional districts, and one member is appointed from the state-at-large. The commission is the agency's governing body and provides general policy direction and guidance. The State Director is the agency's chief executive and has jurisdiction over the central administrative office located in Columbia, SC, five regional centers and all services provided through contracts with local agencies.

DDSN provides 24-hour residential care for individuals with more complex, severe disabilities in regional centers, located in Columbia, Florence, Clinton, Ladson, and Hartsville. DDSN directly oversees the operations of these facilities, each of which is managed by a facility administrator.

DDSN provides services to the majority of eligible individuals in their home communities, through contracts with local service-provider agencies. Most of these agencies are called DSN Boards, serve every county in South Carolina and are the local, single point of entry into the State's organized disability service delivery system. Local DSN Boards are created by state statute and county ordinance. While they are not local state agencies with state employees, they are public entities, governmental bodies in nature and combine the best aspects of public and private organizations. DSN Boards provide a consistent level of services statewide; yet encourage local initiative, volunteerism and pride in service delivery. Local flavor and community preferences are present, yet services are provided at a consistent level of quality statewide.



Accountability Report Appropriations/Expenditures Chart

Base Budget Expenditures and Appropriations

Major Budget Categories	FY 06-07 Actual Expenditures		FY 07-08 Actual Expenditures		FY 08-09 Appropriations Act	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Personal Service	\$64,943,012	\$48,615,240	\$65,584,079	\$50,728,064	\$66,233,279	\$48,608,681
Other Operating	\$350,927,225	\$111,944,944	\$373,407,426	\$116,331,536	\$470,318,504	\$119,253,707
Special Items	\$326,000	\$200,000	\$326,000	\$200,000	\$126,000	
Permanent Improvements	\$3,840,274		\$2,967,491			
Case Services	\$11,379,585	\$1,782,364	\$15,463,627	\$6,306,091	\$16,308,753	\$3,359,028
Distributions to Subdivisions						
Fringe Benefits	\$23,393,000	\$17,334,568	\$24,514,120	\$18,350,806	\$25,828,394	\$18,828,036
Non-recurring					\$13,253,000	
Total	\$454,809,096	\$179,877,116	\$482,262,743	\$191,916,497	\$592,067,930	\$190,049,452

Other Expenditures

Sources of Funds	FY 06-07 Actual Expenditures	FY 07-08 Actual Expenditures
Supplemental Bills		\$8,500,000
Capital Reserve Funds		\$500,000
Bonds		

Major Program Areas

Program Number and Title	Major Program Area Purpose (Brief)	FY 06-07 Budget Expenditures	FY 07-08 Budget Expenditures	Key Cross References for Financial Results*
II.E Mental Retardation Community Residential	Residential care provided to consumers in the least restricted environment based on needs of the consumer. This residential care consists of 24 hour care with range of care based on medical and behavioral needs of consumers.	State: 65,071,362.00 Federal: 128,390.00 Other: 127,958,694.00 Total: 193,158,446.00 % of Total Budget: 43%	State: 69,244,016.00 Federal: 90,718.00 Other: 137,465,210.00 Total: 206,799,944.00 % of Total Budget: 43%	7.1-1,7.2-1; 7.1-4-,7.2-2; 7.3-5
II.H. Regional Centers	Regional residential centers provide 24 hour care and treatment to individuals with mental retardation or autism with more complex, severe disabilities.	State: 54,317,444.00 Federal: 55,447.00 Other: 39,341,115.00 Total: 93,714,006.00 % of Total Budget: 21%	State: 56,314,773.00 Federal: 114,602.00 Other: 37,513,293.00 Total: 93,942,668.00 % of Total Budget: 19%	7.1-4, 7.2-2; 7.3-5
II.B3 - Mental Retardation Family Support Adult Development and Supported Employment	Service consists of center based workshop providing training and skill development in a workshop environment and on the job training in a normal work place. Participants are paid wages based on their ability to produce.	State: 11,895,544.00 Federal: 0.00 Other: 41,060,211.00 Total: 52,955,755.00 % of Total Budget: 12%	State: 13,918,176.00 Federal: 0.00 Other: 39,920,767.00 Total: 53,838,943.00 % of Total Budget: 11%	7.1-9
II.B2 - Mental Retardation Family Support In-Home Family Support	Family support services prevent the breakup of families; prevent the development of crisis situations and the resulting expensive out-of-home placement for individuals with severe life-long disabilities.	State: 22,807,149.00 Federal: 8,057.00 Other: 10,856,895.00 Total: 33,672,101.00 % of Total Budget: 8%	State: 22,807,149.00 Federal: 8,057.00 Other: 10,856,895.00 Total: 33,672,101.00 % of Total Budget: 7%	7.2-5, 7.5-2
Below: List any programs not included above and show the remainder of expenditures by source of funds. Program I; Program II. Subprograms A; B1; C; D; F and G.				

Remainder of Expenditures:	State: 41,412,746.00 Federal: 178,660.00 Other: 56,720,448.00 Total: 98,311,854.00 % of Total Budget: 16%	State: 33,554,737.00 Federal: 191,396.00 Other: 64,003,157.00 Total: 97,749,290.00 % of Total Budget: 20%
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* Key Cross-References are a link to the Category 7 - Business Results. These References provide a Chart number that is included in the 7th section of this document.

Section III – Elements of the Malcolm Baldrige Criteria

Category 1: Leadership

1.1-2 Senior Leadership Communication and Focus on Customers:

Dr. Stan Butkus is the State Director of the South Carolina Department of Disabilities & Special Needs. Under his leadership, the department has been on the cutting edge of developing and implementing a statewide service model that relies on consumer choice and consumer satisfaction based on a person-centered needs assessment and personal outcomes review system.

Senior leaders actively promote open communication throughout the organization. Cross-functional committees are utilized to communicate organizational directives, priorities and values and to develop agency plans and strategies. These committees consist of staff with programmatic skills as well as staff that are skilled in fiscal matters. This cross-functional staffing provides for a thorough understanding of performance expectations and review of all issues involved in establishing or changing agency-wide policies. Extra effort is made in developing and improving consumer and family education.

The agency head/executive team maintains open lines of communications with many different stakeholder groups to be aware of concerns and areas of needed improvement. The State Director and his executive staff meet regularly with consumers, various grassroots parent/advocacy groups - each with their own special interest, the leadership of provider organizations, and leaders from other state agencies. Discussions occur in both small and large groups, often in geographical “clusters”. Personal involvement with each of the aforementioned groups allows for continuous and open exchange to identify and address necessary issues. The department relies heavily on its consumers, service providers, parents and advocates for providing feedback on how well the services provided are meeting the needs of each consumer. The State Director is available to parents, individuals with disabilities, advocates, Board members, providers, elected officials-all the stakeholders. The State Director listens to their needs and wants, concerns, and feelings about how the agency is responding and performing.

The agency’s executive leadership team is made up of individuals who have many years of experience in their respective fields of expertise. Top managers in the areas of fiscal and administration work together as do the managers of the various disability divisions and community services to set goals and accomplish objectives that improve the lives of DDSN’s consumers. Policy and day-to-day operation managers coordinate regularly. Short term and long term goals are set to provide direction for the agency. Technical training, one-on-one communication, and workgroups are used to disseminate the goals and directions to agency staff. The department utilizes staff development opportunities to stress team-building concepts and to train employees and service provider employees on mediation techniques. Each member of the executive team takes a “hands on” approach to leadership. The department intentionally has minimal layers of middle management so senior leaders are aware of needs as they arise and are able to quickly develop solutions. Executive staff members remain involved until goals are met and issues are resolved. Direction and performance expectations are communicated in a variety of ways. The State Director and his executive staff work together as a team to communicate to agency staff at all levels areas of need/improvement, new direction of emphasis and performance expectations. Willing to make the tough decisions, the State Director led his staff through the necessary process of taking unpopular but prudent actions to manage anticipated state budget cuts. Administrative reductions continued while protecting the essential functions of direct care and nursing. Over the past several years the agency has successfully implemented three RIF’s and three Voluntary Separation Programs, an initiative that has now become a model for State Government. (See Figure 7.1-11 and Figure7.3-2)

Cross-functional committees and stakeholder workgroups are utilized. Consumer groups/advocacy organizations and provider leadership are kept informed through regular meetings. Special conferences or trainings are sponsored to focus on specific areas of emphasis.

1.3 Impact on the Public:

The State Director and his executive staff meet directly with the Governor's office and members of the General Assembly and their staff to discuss the potential impact of the department's programs, services, facilities and operations and the associated risks of each. These meetings and shared perspectives guide our focus and improve responsiveness to consumers of services and taxpaying citizens alike. The State Director maintains a good reputation and is known to work with legislators to prevent problems, provide information and find solutions. Legislators find the State Director accessible and approach him directly to discuss an issue or seek his assistance. Elected officials express a high degree of confidence in his leadership and management.

The office of community education monitors and responds to public inquiries and keeps the media and general public informed about the agency's mission, needs of consumers and direct impact of change in public policies. Examples of this are HIPAA, the Atkins Supreme Court decision, state budget reductions, waiting lists and the benefits of hiring people with disabilities. The organization addresses the current and potential impact including the associated risks by meeting its strategic goals and objectives.

1.4 Maintaining Fiscal, Legal, and Regulatory Accountability:

DDSN uses a contracting mechanism to ensure fiscal, legal and regulatory accountability. For all program areas, providers agree to follow policy and standards established by DDSN, other state agencies, and the federal government, where appropriate. In some cases this oversight extends to actual licensing of programs. For other programs licensed by other state agencies, DDSN provides day-to-day oversight. Providers have external audits; DDSN reviews these and other financial records and initiates audits as appropriate, in both fiscal and program areas. Quality assurance practices monitor and ensure quality of services and strict compliance with standards. If DDSN determines that a provider cannot maintain the requirements under contract, it can seek another provider or take over operations itself.

1.5 Key Performance Measures:

Assessment of functions is ongoing to ensure resources are directed to priority areas. This assessment along with a required review of non-direct care position vacancies guides how DDSN organizes, targets funds and evaluates performance. DDSN's reorganization streamlined processes, centralized certain functions and improved utilization of administrative staff. (See Figure 7.2-9) Critical placements, residential waiting lists, day service waiting lists, waiver service waiting lists, service vacancies, expenditures, utilization of Medicaid funds, critical incidents and the agency's direct care staff-to-consumer ratio are key performance measures that are reviewed regularly. (See Figure 7.3-4, Figure 7.1-7, also Figure 7.1-9) Leadership actively promotes the health, safety and well being of the consumers DDSN serves, as well as the dignity and respect for these individuals and their families. (See Figure 7.1-3a and 7.1-3b)

1.6 Organizational Performance Review/Feedback:

All levels of the organization contribute to decision making processes and setting performance goals. Employees are empowered with the knowledge that their input and role in the whole process is necessary to fulfill the agency's mission. Agency leaders consistently encourage open communication with employees and have an "open door" style, hold open staff meetings, and provide access to the agency's extranet.

Executive team members lead internal agency committees which make decisions and provide oversight. These committees cover areas of service development, organizational and system responsiveness and funding. Committees meet regularly to identify and address areas of need, potential barriers and opportunities. Employee feedback and participation are relied upon to determine the effectiveness of leadership throughout the organization.

DDSN's governing body, the Commission on Disabilities and Special Needs, takes direction from the Governor and provides policy leadership to the organization. This includes clarifying results expected and setting and evaluating performance criteria. Input received from stakeholders aids in the development and application of policy. The State Director implements policy through a comprehensive plan to develop and provide specialized services through a statewide system.

Dr. Butkus' leadership, professional tenure, and contacts at the national level keep the state connected with the broader picture of services provided to people with disabilities and special needs. Dr. Butkus was elected by his peers to serve as President of the National Association of State Directors of Developmental Disabilities Services (NASDDDS), and he also served on the U.S. Government's Policy Workgroup on Quality Inventory. These actions communicate the fact that South Carolina is a leader among its sister states and that Dr. Butkus is valued as a highly skilled professional and an excellent contributing leader. Dr. Butkus also serves as the President of the South Carolina Agency Directors Organization.

1.7 Succession Planning and Development of Future Leaders:

Succession planning is a key management tool utilized throughout all levels of the agency. The agency identifies employees nearing retirement and those whose skills are specialized or unique to the job function. For each employee identified, the functions and skills that are needed are determined and other employees in the agency who already possess these skills or who have the capability to learn the functions and skills are identified. A mentoring system is established to begin the employee's learning of the new skills and functions. Mentoring and coaching is provided to all new supervisors at all levels. Best practices also are routinely shared. Employees are provided opportunities for training and professional development. Work schedules are altered to allow employees to complete secondary education programs. Tuition assistance is also available for employees in specialized fields.

1.8 Fostering Performance Improvement:

Key priorities are communicated in a variety of ways. The planning process used to carry out the agency's mission is a continuous process. It is primarily concerned with developing organizational objectives, forecasting the environment in which objectives are to be accomplished and determining the approach in which they are to be accomplished. To be successful, planning requires an analysis of data from the past, decisions in the present, and an evaluation of the future.

The State Director and his executive staff meet directly with the Governor's Office staff, members of the General Assembly and their staffs to keep them informed. The agency's executive leadership works together as a team to communicate and disseminate the objectives and directions to agency staff. DDSN has assisted disability and special needs boards in developing strategic quality enhancement plans using the organization performance review system. This approach is being used statewide to train local boards on how to develop strategic organizational goals in order to improve their performance.

1.9 Fostering Organizational and Workforce Learning:

Agency leadership is active in professional organizations at the state, regional and national levels. Up-to-date knowledge of state-of-the-art practices, trends and approaches used by other states is

shared throughout all levels of the organization and is used to enhance and improve South Carolina's system. Information is incorporated into training opportunities for front-line staff and managers alike.

1.10 Workforce Motivation and Recognition:

DDSN's executive leadership team recognizes that well-motivated employees are key to success. Formal methods of empowering the workforce include hiring a diverse workforce, establishment of formal job career paths, and use of a merit increase program based on performance through the EPMS to reward high performance. Tuition reimbursement, telecommuting, and flexible work schedules are available for certain positions. Individual growth of employees is encouraged and opportunities for promotion of internal staff for advancement occur frequently. DDSN's employee recognition programs promote individual employee performance recognition. Each Regional Employee of the Year and the DDSN Employee of the Year is recognized at the central office by the DSN Commission and State Director. Similar programs are utilized by DDSN's statewide network of local service providers. Employee Appreciation Month is observed and social gatherings are held regularly. Individual interviews and informal conversations provide feedback to managers, improve working relationships, and foster teamwork.

1.11 Supporting and Strengthening the Community:

DDSN is actively involved in community outreach. Agency leaders encourage staff participation in community events and set the example by their own community involvement. Senior leadership as well as other DDSN staff is actively involved in civic organizations, professional organizations, and community and statewide charities. Staff members at all levels participate in and promote various community efforts including the United Way, Community Health Charities of South Carolina, Red Cross blood drive, Special Olympics, and walks for breast cancer, MS and other causes. Board members, Executive Directors and staff of local DSN Boards are also very active in their local communities and participate in civic and community organizations and activities. Staff are active members of local Chambers of Commerce, county First Steps organizations, Rotary, Civitan, and other civic groups. Certain business functions have been privatized, increasing public/private partnerships and efficiencies. Local service delivery provides jobs in many small, rural, and poor areas. DDSN's statewide Disabilities Awareness Campaign promotes the abilities and contributions of individuals with disabilities in communities all over the state. A high level of importance is placed on community involvement for all DDSN employees through planned on-site activities and off-site participation during business hours. Individual community and professional involvement is encouraged and recognized.

Category 2: Strategic Planning

2.1 Strategic Planning Process:

The department's strategic planning sets the overall direction for the development of programs through a multi-year period for persons with autism, mental retardation and related disabilities, brain injuries, and spinal cord injuries in South Carolina. Planning is guided by direction from the Governor and the General Assembly, and by our customer's needs and preferences and how they want to be served. It also reflects the department's responsiveness to national trends, to advocates who promote state-of-the-art services and to citizens who require sound stewardship of their tax dollars. This provides a framework to guide agency policy and actions in terms of how to organize, fund and evaluate outcomes of services.

Input from DDSN's regional centers and the local DSN Boards is integral to the process. Monthly meetings are held with key regional center staff to remain abreast of activities and needs at each center. These meetings provide input into various resource needs such as staffing, operating

budget, permanent improvement needs and quality of consumer care. The local DSN Boards provide input to DDSN through several functional committees. These committees are made up of leadership from the DSN Boards, as well as key DDSN staff. The committees provide input and direction on numerous items ranging from contractual compliance to quality of services. Each Center and Board conducts a facility assessment which outlines renovations, construction, or change in use of specific buildings in order to provide adequate and appropriate facilities to meet individual needs in a high quality setting. To determine services needed over a multi-year period, a review is done of current programs and services, the number of individuals served, underserved and unserved, and the new resources needed to meet the need.

The strategic planning process includes a multi-year analysis of operating budget needs and permanent improvement needs. These multi-year analyses encompass historical trends, regional center evaluations, key regional staff input, local community provider and consumer input. Once the analysis is refined the department prepares its annual budget request for the Governor and General Assembly that includes both recurring and non-recurring items. Capital needs are stated in the Comprehensive Permanent Improvement Plan (CPIP), which is submitted to the Joint Bond Review Committee and the Budget and Control Board.

Cross-functional committees which include stakeholders are utilized in the development of agency-wide plans and strategies. When changes are being proposed which impact the way services are provided or funded, taskforces are utilized to ensure that all levels of the organization are represented. A broad range of individuals serve on these taskforces in order to obtain a full understanding of the issues involved.

As directed over many years by Governors' administrations and the General Assembly, DDSN has pursued an aggressive effort to have as many of the agency's services as possible covered by the federal government through Medicaid. DDSN has aggressively used Medicaid waivers to develop a flexible system of in-home supports and to expand their availability. South Carolina was the first state to be approved for a head and spinal cord injury Medicaid waiver. This has meant a reduced cost to the State to provide services to persons with lifelong disabilities. DDSN continues to maximize Medicaid revenue even as state appropriated funds. (See Figure 7.3-3)

DDSN works with consumers and their families to provide residential services in the most appropriate place and in the least restrictive environment. This philosophy of consumer choice also allows DDSN to provide residential services in a very cost efficient manner. (See Figure 7.3-4)

The planning process used to carry out the agency's mission is a continuous process. It is primarily concerned with developing organizational objectives, forecasting the environment in which objectives are to be accomplished and determining the approach in which they are to be accomplished. To be successful, planning requires an analysis of data from the past, decisions in the present, and an evaluation of the future.

2.2 Key Strategic Objectives and Challenges:

The strategic objectives have a direct relationship to the strategic challenges. They are reflective of national trends and best practices and are responsive to consumer needs and preferences. Values guide the development and provision of services and a person-centered approach which offers consumer/family participation and choice improves the range and quality of services. Quality assurance and risk management activities, outcomes and consumer satisfaction are part of a multifaceted coordinated quality enhancement process that is purposefully redundant. This allows comparison with national data and aide the agency in measuring and improving accountability.

2.3 Developing and Tracking Action Plans:

Customer satisfaction is a priority in DDSN's approach to planning and service delivery. All service providers throughout the state perform customer satisfaction assessments. The principle of continuous quality improvement guides DDSN in determining whether services and service providers are meeting consumer expectations. The policies, processes and procedures used by service providers are reviewed. Services are observed while being provided. Some consumers and family members receive a survey by mail to learn how satisfied they are with the services received. Other consumers and family members participate in face-to-face interviews. The primary measure of quality is how the person with the disability and the family view the responsiveness of the services. This information is used along with regularly reviewed key performance measures to develop action plans, track progress, and adjust plans as necessary to achieve goals.

DDSN undertakes specific measures to assure consumer health and safety, and to increase the quality of services and supports offered by its system of service providers: (a) traditional activities; (b) consumer-oriented activities; (c) quality assurance activities including – licensing, contractual compliance, personal outcomes measures, consumer satisfaction measures, policies, and internal audits.

DDSN utilizes a customer driven approach. Needs, both met and unmet, are identified. System changes are planned to increase consumer and family satisfaction and increase service provider productivity and efficiency. Increases in efficiencies are redeployed to address unmet service needs. This approach increases accountability to the citizens of South Carolina.

2.4 Communication and Deployment:

Strategic objectives, action plans and related performance measures are communicated in a variety of ways. The State Director and his executive staff meet directly with the Governor's Office, members of the General Assembly and their staffs to keep them informed. The agency's executive leadership works together as a team to communicate and disseminate the objectives and directives to agency staff. Cross-functional committees and stakeholder workgroups are utilized. Consumer groups/advocacy organizations and provider leadership are kept informed through regular meetings and ongoing communication.

2.5 Measured Progress on Action Plans:

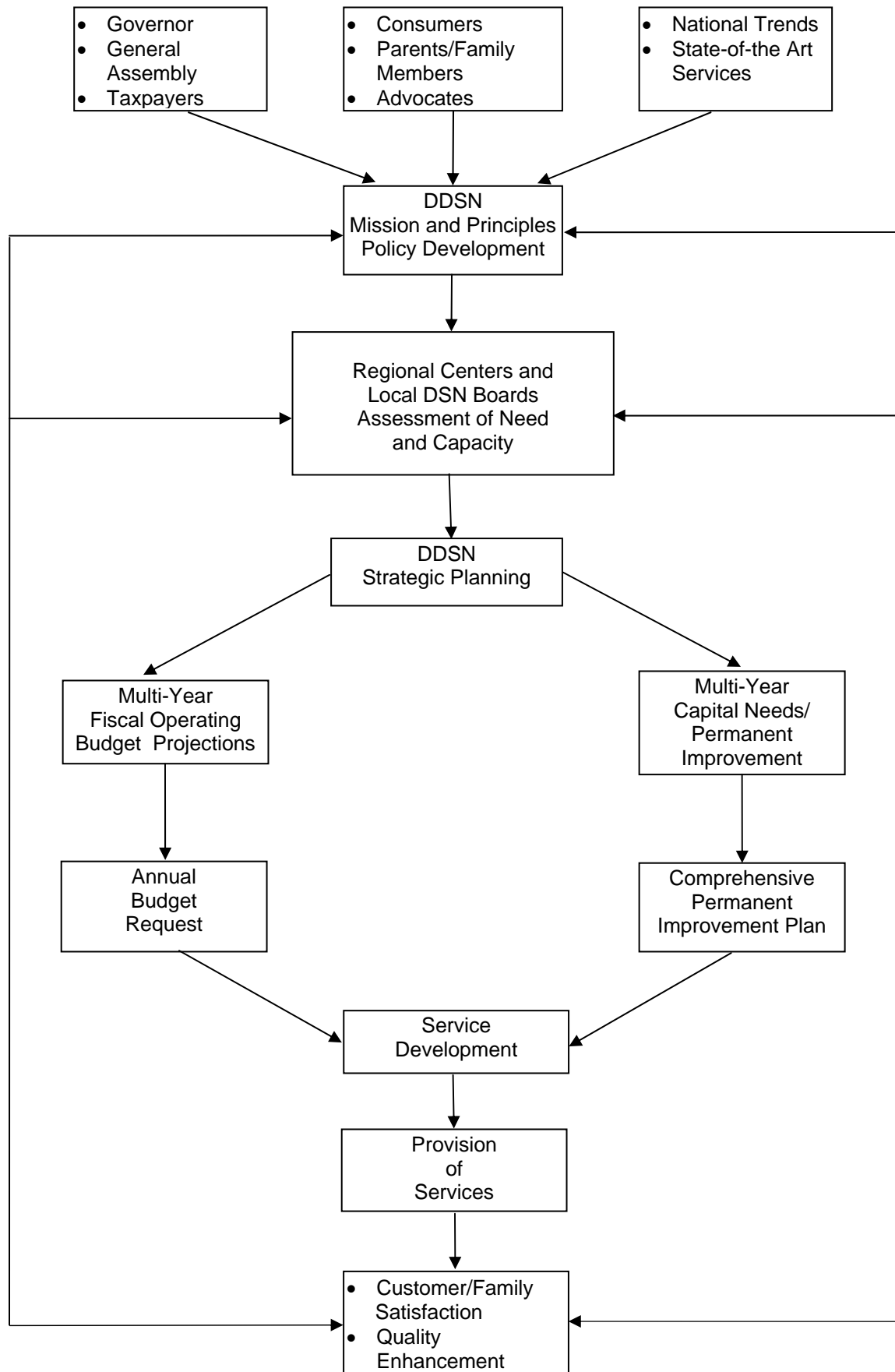
Progress on action plans is measured in several ways. Data is collected throughout the year to determine numbers of individuals served, what services they receive, and number of new persons requesting eligibility. Annually consumers and their families are surveyed either by mail or through face-to-face interviews to determine personal outcomes, and data is also routinely collected and analyzed to identify individuals in critical circumstances and those who wish to choose different services or different service providers. Trend data is regularly presented, action plans are reviewed and strategic effort is clarified. Resources are constantly monitored to ensure that resources are targeted to priority areas, that revenues and efficiencies are maximized and adequate funds are available to carry out the agency's mission.

2.6 Evaluation of Strategic Planning Process:

Monitoring and improving the process is ongoing. Data and trends are regularly tracked to determine where the agency is positioned, what remediation needs to occur and whether the action led to improvement. All this funnels into next step planning. The agency utilized objective independent surveys, focus groups, and face-to-face interviews along with public forums to gather customer perspectives. This information is synthesized with service demand. A comparison is made to the current menu of services and how those are delivered to plan and adjust future service spans.

2.7 DDSN Strategic Plan: <http://www.state.sc.us/ddsn/mission/mission.htm>

S.C. Department of Disabilities and Special Needs Planning Process



Strategic Planning

Program Number and Title	Supported Agency Strategic Planning Goal/Objective	Related FY 07-08 Key Agency Action Plan/Initiative(s)	Key Cross References for Performance Measures*
All Programs	Broaden the range and improve the quality of supports and services responsive to the needs of individuals with disabilities and their families.	<ul style="list-style-type: none"> ➤ Design a new span of approaches to address the needs of eligible persons in crisis situations and on waiting lists. ➤ Promote and encourage choice of service providers and allow consumers to select services they need from qualified providers they prefer within individually assessed resource limits. ➤ Provide information on service resources, requirements and options to individuals and families. ➤ Increase the proportion of community integrated options for persons in regional centers and in the community pursuant to the Olmstead U. S. Supreme Court Decision. ➤ Maximize federal and state resources by using more efficient service models. ➤ Coordinate and partner with other agencies in areas of mutual interest to avoid duplication and share resources as appropriate. 	7.1-2, 7.1-3, 7.1 -4, 7.1-5, 7.1-6, 7.2-1, 7.2-2, 7.2-4, 7.2.8, 7.3-1, 7.3-2, 7.3-3, 7.3-4, 7.5-1, 7.5-3, 7.6-1
All Programs	Maintain accountability to all citizens of South Carolina by strengthening quality of services.	<ul style="list-style-type: none"> ➤ Continue implementation of a performance measurement system linked to customer satisfaction and achievement of consumer's outcomes. ➤ Continue to track and analyze performance data and trends in support of quality improvement initiatives. ➤ Enhance quality assurance and quality improvement initiatives and maintain compliance with federal standards. ➤ Minimize the occurrence and reduce the severity of disabilities through primary and secondary prevention initiatives. 	7.1-1, 7.2-7, 7.4-1, 7.4-2, 7.4-4, 7.4-5,

* Key Cross-References are a link to the Category 7 - Business Results. These References provide a Chart number that is included in the 7th section of this document.

Category 3: Customer and Market Focus

3.1 Key Customers and Requirements:

DDSN uses a variety of methods and approaches to identify its customers. The first source comes from the SC Code of Laws which identifies DDSN's primary customers as people with the lifelong disabilities of mental retardation, related conditions, autism, traumatic brain injury, spinal cord injury and similar conditions. DDSN has a strong referral system from hospitals, doctors, school personnel, families, elected public officials, advocacy organizations, the Governor's office, community service organizations, other state agencies, through DDSN's website and external links to this website. Potential customers are screened using standardized questions and those meeting criteria are taken through the eligibility process. Finally, because the department receives state and federal funds to provide services, payers and taxpayers are considered customers.

DDSN routinely seeks input from primary customers and their families through format and informal means using quantitative and qualitative approaches. Examples include the use of national standardized surveys, focus groups, committees and other meetings, and tracking and comparing data over time.

3.2 Keeping Current with Changing Customer/Business Needs and Expectations:

The department is governed by a seven (7) member commission as set forth in the Code of Laws, whose duties include educating the public as well as state and local officials as to the need for funding, development and coordination for services. DDSN continuously learns about customers' needs, preferences, and priorities. The long term care field is constantly changing. Many approaches are used to keep current with such changes and expectations of DDSN customers. First, over 10% of primary customers and their families are surveyed each year using a nationally recognized tool that is used by over 25 states allowing for national comparisons. This data is tracked over time permitting DDSN to identify changes in people's expectations and needs. One area that has remained consistent over time is DDSN's customers' preferences to receive services in their own home and communities versus in institutions. DDSN exceeds the national trends in meeting this expectation by supporting 82% of people at home versus 60% nationally. (See Figure 7.1-1 and Figure 7.2-1)

Second, DDSN uses full-time contractors whose only responsibility is to educate the department's primary customers and their families about their rights to be involved in all decision making processes affecting their services. These contractors teach DDSN customers and their families how to be an advocate for themselves and others and to take more responsibility for shaping the service system. A statewide network of self advocates whose purpose is to affect policy change at both the local and state level was formed in 2007 and has engaged in many activities aimed to affect the quality of services.

Third, the person-centered planning process DDSN uses enables staff to identify and address both individual and uniform needs of primary customers and their families. The department's customer data system allows it to keep up to date with the changing needs and demands of its customers. Last, agency leadership is active in professional organizations at the state and national levels. State-of-the-art practices, trends, and approaches used by other states are shared throughout all levels of the agency to enhance and improve South Carolina's system.

3.3 Key Customer Access Mechanisms

DDSN uses its website, designated employees, written brochures and guides and departmental policies as its key customer access mechanisms. DDSN's website contains a wealth of information for its primary customers, including news updates from the Director, lists of all

departmental directives which the customer can provide comments to at any time, and how to reach our full-time consumer and family empowerment director. This employee takes informal and formal complaints, logs the data into a spreadsheet, and coordinates responses to the complaint to the customers' satisfaction. DDSN also publishes an annual Practical Guide to Services which provides not only DDSN information and contact information, but hundreds of other agencies as well. DDSN also surveys customers annually. In addition, DDSN staff attend customer advocacy meetings, visit customers' in their workplace and homes, and include customers and their families on a variety of different policy committees and task forces.

3.4 Measuring Customer/Stakeholder Satisfaction:

DDSN contracts with a nationally certified quality improvement organization to conduct customer satisfaction and experience surveys. Some of the surveys are done face to face with our customers (5% random sample) while others are mailed to customers and their families (10% random sample). A majority of states use the same survey tools allowing DDSN to compare data against similar agencies across the nation. DDSN prioritizes the areas needing improvement and develops an annual goal for each area with specific interventions that include policy change, training, and technical assistance.

The surveys and personal interviews are designed to assist organizations/providers and the department to use the information gathered to gain a better understanding of its customers' needs and their satisfaction with services. In order to improve overall quality, the data is integrated into local and state quality enhancement planning and efforts. An example of such an effort is the Department's purposeful growth of services to customers in their own homes versus nursing homes or out of home residential care.

Another finding of customer data is the desire to make choices and be involved in the decision making process. DDSN ranks higher than the national average of many customer outcomes related to choice and decision making. (See Figure 7.1-3a) Only 5.2 individuals with developmental disabilities per 100,000 of the general population in South Carolina are placed in nursing facilities as compared with the national average of 8.6. (See Figure 7.2-8 and Figure 7.6-1) Moreover, only 18% of DDSN customers received out of home residential care compared to 40% nationally. (See Figure 7.1-1 and Figure 7.2-1)

Each of these systems provides feedback to the agency. Feedback is used to address potential policy needs, conduct regional conferences to offering technical assistance and training to individual providers.

3.5 Using Feedback Information from Customers/Stakeholders:

DDSN uses a quality improvement process that is grounded in the collection and analysis of reliable and valid data. Data is used to drive the decision making process. The design of this system sets the stage for achieving person-centered desired outcomes along 7 dimensions. The design allows DDSN to address topics such as service standards, provider qualifications, service planning, monitoring health and safety, and critical safeguards. The quality management functions gauge the effectiveness and functionality of our design and pinpoints where attention should be devoted to secure improved outcomes. It encompasses three functions: discovery (collecting data and consumers' experiences), remediation (taking action to remedy specific problems or trends that occur), and continuous improvement (using data and quality information to engage in actions that lead to continuous improvement in service delivery). Data is trended and analyzed routinely and where possible compared with national data. In areas that require strengthening, the agency develops a goal with all stakeholders and re-evaluates the effectiveness of the interventions on an annual basis. An example of such an effort was the discovery that primary customers desire more

choice of services and the providers of those services. In response, DDSN is writing a new home and community based waiver that contains an “employer authority” giving customers the option to select, hire and supervise their own employees and caregivers. (See Figure 7.2-6 and Figure 7.5-3) Another example is the discovery that although most consumers (77%) and their families (86%) reported being very or somewhat knowledgeable about DDSN services, DDSN is currently re-designing its website using consumers and their families to ensure information is available to them. (See Figure 7.10 and Figure 7.2-4)

3.6 Building Positive Relationships with Customers/Stakeholders:

DDSN has a full-time Director of Consumer and Family Empowerment whose primary responsibility is developing a positive rapport with customers and their families. Publications including the Practical Guide to Services, Choosing a Caregiver and others in addition to our person-centered services – A Guide to Consumers and Families, and the agency’s website are kept updated and widely disseminated. DDSN has an Office of Community Education, which develops and produces materials to educate and assist customers, family members, professionals, and other stakeholders.

The department contracts with grassroots advocacy organizations to train, educate, and empower individuals with disabilities and their families. The Center for Disability Resources, University of South Carolina, organizes and provides training meetings around the state on the concepts and practical application of South Carolina’s person-centered service approach. They also work with local self-advocacy groups to ensure they understand their rights and roles in the service delivery system. In 2007, they organized a statewide self-advocacy group whose primary objective is to ensure their priorities are heard and addressed at the policy making level. Family Connections of S.C. works for families with children who have special needs. The Brain Injury Alliance of South Carolina educates the public through local support groups and the S.C. Spinal Cord Injury Association assists individuals through peer to peer counseling. The S.C. Autism Society works through its network of support groups to offer information, training, and technical assistance.

DDSN participates regularly with the S.C. Partnership of Disability Organizations, a coalition of numerous statewide advocacy groups to provide updated information and listen and respond to concerns about services and budget matters. Regular meetings are held with regional center parents once per quarter on Saturdays to update them on current/anticipated issues of interest to them and address concerns they raise.

An “Information Workgroup” continues to focus efforts to providing accessible information to primary customers. Information for communication ranges from who is eligible for services, how one goes about the intake/assessment process, to who are the providers of services, etc. The workgroup consists of leaders from the various advocacy groups, executive directors and staff of provider agencies, primary customers, family members, and departmental staff members who act as a representative for their particular constituency, contributing to an inclusive perspective. The Director of Government and Community Relations chairs the workgroup.

To help meet the specialized needs of people with disabilities, regular meetings are held with key members of the Governor’s staff and key legislative leaders and their staffs on funding and policy issues. This significant amount of involvement keeps the Governor and Legislators current on our customer’s needs and our progress to meet those needs so that they have complete information regarding current status and future goals and related constraints.

Category 4: Measurement, Analysis, and Knowledge Management

4.1 Determination of Measures:

In 1998, DDSN shifted from a quality assurance process oriented toward inspection and licensing to a quality improvement process based in person-centered outcomes and customer satisfaction. DDSN has a nine-tiered, multifaceted, coordinated risk management/quality assurance/quality improvement program that is not only based on national best practices, but in many ways is setting best practice. There are several approaches employed to determine which operations, processes, and systems to measure. The first is by listening to what DDSN's customers say is important to them. The second is through DDSN payer requirements. The last is feedback from advocacy organizations, the general public and other state's systems of quality management. Typically all three sources inform the agency that the first order of business is to protect, assure, and improve the health, safety, and welfare of our primary customers. The second priority is to provide services that can help the customers address their unique needs in a manner they prefer. The third area is to improve DDSN's customers' quality of life and to help them achieve their life goals. Most of their goals match up with those of the general population: being employed, having meaningful relationships, owning a home, and contributing to their communities, and those in need of support.

4.2 Selecting, Collecting, Aligning, and Integrating Data/Information for Analysis:

DDSN has a robust quality management system that is tweaked every year to ensure it remains on the cutting edge of system design, measurement selection, data collection and analysis. Most measures are selected to ensure compliance with state and federal law, as well as to determine whether customers' expectations are met and meaningful outcomes are occurring. DDSN uses data to drive decisions involving many areas including its customers, their families, service delivery, critical incident/risk management and financial. Data is collected uniformly across the state and analyzed in many different ways. The agency has 11 years of trend data in the risk management area, 6 years of trend data in the quality assurance area, 5 years of trend data in the customer/family satisfaction area, and 4 years of trend data in the quality management area. (See response to 4.3)

4.3 Key Measures:

DDSN undertakes specific measures using different methods to assure the health, safety, and welfare of its customers and to increase the quality of services and supports offered by its system of service providers. (See Figure 7.2-6 and Figure 7.5-3)

Risk Management – risk management activities and programs strive to prevent negative occurrences in the lives of consumers. DDSN conducts many risk management activities using several different sources and measures. This is called purposeful redundancy which is used to assess from multiple angles the status of the health and welfare of the people DDSN supports. The three primary risk management (RM) activities are:

1. RM – Traditional Activities – These activities include ensuring the safety of buildings, complying with OSHA standards, and taking appropriate measures to protect against loss through pre-employment screening, pre-service training, insurance coverage, financial auditing and legal consultation. Data is collected annually and trended over time.
2. RM – Consumer Oriented Activities – Activities under this heading include the tracking and review of, and response to allegations of abuse, neglect and exploitation, critical incidents, complaints/appeals and mortality. Data is collected annually and trended over time.

3. RM – Consumer Determined Activities – This is a new area of RM that has developed as a result of the paradigm shift in the treatment and services that has empowered consumers to be more in control of their lives/choices and the decisions that are made regarding the services and supports they receive. These consumer determined risk factors may relate to issues of diet, exercise, use of potentially harmful substances, sexual practices, hygiene, conformance with medical advice, acceptance of behavioral health services and acceptance of staffing levels of supervision, to name a few. Some of the tools DDSN and its network of providers use in this area are consumer and family councils, circles of support, pre-approval of plans of service, ongoing service coordination monitoring of service deliver, the annual planning process, human rights committees, the use of ethics committees and consulting ethicists on an “as needed” basis. Data is collected annually or upon request of the agency.

Quality Assurance – Quality Improvement Activities – Once appropriate risk management activities are in place, then a strong quality assurance and quality improvement program (QA/QI) must rest on a foundation of health, safety, and financial integrity. QA/QI activities strive to increase positive occurrences in the live of people served.

1. **Licensing Activities** – DDSN uses licensing activities to assist in providing a foundation of health and safety upon which other quality of life initiatives may be built. Licensing activities occur on an annual basis and involve staff from DDSN, the state’s health agency (DHEC), social services agency (DSS), and the State Fire Marshall’s Office. Data is collected annually and trended over time.
2. **Contractual Compliance Activities** – The second component of this elaborate QA/QI system is the work done by a private company, Delmarva Foundation, a Quality Improvement Organization designated by the federal Centers of Medicare and Medicaid Services (CMS). As part of its activities, Delmarva, with the assistance of the Human Services Research Institute (HSRI), uses three nationally recognized surveys which are administered to 10% of DDSN consumers and their families on an annual basis. The surveys have been tested by HSRI for reliability and validity on person with mental retardation and their families and 23 states across the country use or have used these survey instruments so results can be compared with those of other states. Data is collected annually and trended over time.
3. **Personal Outcome Measures** – Another redundant and reliable way DDSN assesses consumer’s health, welfare, and satisfaction is through a contract DDSN has with the nationally recognized company, the Council on Quality and Leadership (CQL). CQL uses personal outcome measures to help DDSN determine how well services and supports are helping an individual achieve personal goals. Data is collected quarterly, analyzed annually and trended over time.
4. **Consumer/Family Satisfaction Measures** – These measures typically have a larger affective component than personal outcomes. It is very possible for a customer to have met all of his/her personal goals but still feel dissatisfied with life or the services and supports he/she is receiving. Customer and family satisfaction surveys are conducted annually using a planned redundancy model. Each service provider is required to develop and administer their own annual satisfaction survey. Results are tabulated and identified areas of weakness are addressed for correction. In addition, as mentioned earlier, DDSN, through its contract with Delmarva administers three national standardized satisfaction surveys to 10% of its service population on an annual basis. Data is analyzed annually and trended over time.
5. **Quality Management Activities** – With the many different approaches DDSN uses to measure and improve quality, it became important to develop a process that would allow the synthesis of all data in order to understand overall performance of the Organized Health Care Delivery

System (OHCDS). In collaboration with the Council on Quality and Leadership, DDSN designed a quality management process that allows for just such an assessment. The process is built on a technical assistance and learning approach to quality enhancement. The effort is grounded in the Council's Organizing Principles and Basic Assurances and therefore much of the work focuses on the OHCDS's leadership, systems and quality management and planning. During the initial 4 day visit to providers, DDSN staff talk with a variety of employees throughout the organization, meet with people receiving services and their families, read policies and literature, observe team meetings, identify current data collection strategies and processes, learn how data is used, observe services in motion, and attend meetings/staffings/psychotropic drug review and self-advocacy efforts. Ultimately, the department synthesizes all the information and jointly, with the provider, identifies the strengths of their system and develops, or builds upon, existing quality enhancement plans. Follow up visits are scheduled and technical assistance is provided through out the year. Another full visit occurs every third year to assess improvement.

6. Other Quality Enhancement Activities – Another important aspect of DDSN's Quality Assurance System that helps both assure and improve the quality of the services being provided is the official body of policies, directives, and procedures. These documents represent a significant source of guidance to the system as a whole and lay out the expectations for service delivery. A system is in place to regularly review and revise these policies. Further, independent CPA's are utilized to conduct audits of providers' financial activities and DDSN Internal Audit assesses other financial performance issues.

4.4 Selecting and Using Comparative Data and Information:

Data selection is based on what the Commission and State Director desire to collect to be informed and track objectives, what funding sources such as the State and Medicaid require, and what DDSN's primary customers say is important to them and what quality improvement measures indicate. There is some data that can be compared nationally, while some is available only locally or statewide. Historically, no national database was ever established to track trending within the field. Three such sources now exist, The State of the State, which evaluates states spending patterns, institutional placements and legislative efforts, HSRI (Human Service Research Institute). HSRI partnered with an established group of state directors to begin assessing national trends and data relating to services and satisfaction based on information surveyed from customers and their families. States have the option to participate in the data collection process, as it requires staff effort to collect the important information. South Carolina voluntarily joined the effort in order to receive the national feedback and to bolster the field as a whole. Third, the United Cerebral Palsy is one of the nation's leading organizations serving and advocating for the more than 54 million Americans with disabilities. South Carolina ranked #17 in their ability to create quality, meaningful and community – inclusive lives for its customers. (See Figure 7.1-2)

DDSN evaluates national comparative data where available. For example, in terms of efficiency, the department regularly measures its cost of providing services in a variety of settings. The department's institutional rates are reviewed annually and over time. When compared to national institutional rates, DDSN continues to provide this level of care at 33% less than the national rate. (See Figure 7.3-4)

Another example of comparative data that is tracked annually is the direct care staff to consumer ratio in institutions. In the past, DDSN's staff to resident ratio was higher than or equal to the national average. DDSN is currently slightly lower than the national average. Another example of an efficiency measure that couples with a measure of consumer and family's satisfaction is with the delivery of services in the least restrictive environment. Consumers and families report that

they want to live in home and community based settings. Data shows that DDSN continues to meet the demand while providing services in a very cost efficient manner. (See Figure 7.1-6 and Figure 7.3-1 and Figure 7.5-1, also Figure 7.3-4) One last example of comparative data is the consumer and family outcome data collected. Data indicates that South Carolina meets or exceeds outcomes of other states. (See Figure 7.1-3a and Figure 7.1-3b)

4.5 Data Integrity, Timeliness, Accuracy, Security, and Availability for Decision Making:

DDSN uses several approaches to ensure the data it collects is valid, reliable, and otherwise adequate in order to make informed and essential decisions to improve performance. In the risk management area, data collected from reviews are entered directly into the applicable database. All data entry is verified with the provider to ensure accuracy. It is available for analysis at any time. Database access is protected by password. In the Licensing, contractual compliance, customer/family satisfaction and personal outcomes areas, a minimum inter-rater reliability among staff conducting reviews and interviews/surveys is set at 85%. Data from these reviews are entered directly into databases. Any inaccuracies are discovered through an editing process. Database access is protected by password. In the quality management area, data collected from reviews is provided to the organization prior to data entry to ensure accuracy. Data is entered directly into a database and is available at any time. Database access is protected by password.

4.6 Translating Organizational Performance Review:

DDSN uses an executive team approach to determine what activities will be prioritized for continuous quality improvement. DDSN prioritize such activities based on (1) its impact on customer health and safety, (2) the greatest return on investment of time and dollars, (3) its impact on meeting customer needs and expectations, including satisfaction, and (4) requirements of the payers.

4.7 Managing Organizational/Employee Knowledge:

DDSN identifies best practice through publications, conferences, national associations, websites, and state agency contacts. Information is shared through policy to appropriate personnel and the public via our website and other written and oral means.

Many times during the year, information and knowledge is share through conferences, workshops, counterpart groups, committees, and parent organizations. These act as a means of both sharing and gaining organizational knowledge.

Category 5: Workforce Focus

5.1 Organization and Management of Work:

DDSN's mission drives the development of work systems and processes. The department's work system and organizational structure is designed to ensure consistency of services and programs throughout the organization and our provider network. Our current organizational structure and service delivery system is the result of assessment, pilot projects, analysis and planned change.

Facility staffs have varying responsibilities requiring a variety of different employee skills, knowledge, and abilities. The nature of the work dictates the design of the work systems. In some instances, such as the Residential and Health Program areas, work is accomplished through teams on a 24-hour basis. In other cases, such as Food Services, a team of food service specialists may work ten-hour shifts. DDSN's employees provide care and assistance to very special, often fragile, individuals with disabilities. These workers take care of the daily living needs of people like feeding, toileting, bathing, dressing, behavioral and medical care. They perform essential life-sustaining functions that workers in other fields would never even consider.

Feedback is solicited from internal and external sources to assist the department in the design of our work systems and processes. Feedback comes from counterpart meetings, surveys and individual suggestions from employees and our provider network managers.

5.2 Effective Communication and Knowledge/Skill/Best Practice Sharing:

Effective communication consists of information sharing and feedback. Feedback is solicited from internal and external sources to assist the department in the design of our work systems and processes. Feedback and sharing comes from counterpart meetings, management level staff meetings, surveys and individual suggestions from employees and our provider network managers.

DDSN's human resource processes are continually reviewed. Redundant and labor-intensive processes are eliminated. Human Resources staff attends informative seminars and conferences and its practices are compared with the latest trends to ensure cutting edge processes are in place.

5.3 Recruitment, Hiring, Placement and Retention of New Employees:

DDSN employees are ultimately the keys to our success. DDSN human resource efforts are directed toward ensuring the agency has a capable, satisfied and diverse work team. Recruitment is the first step. Many DDSN jobs require associate degrees, bachelor degrees, or advanced specialized degrees. Therefore, the department's recruitment strategy involves representation at college career days around the state; participation in targeted career fairs for immediate openings in critical, hard-to-fill vacancies (RN, LPN), such as the State Government Career Fair; contact with technical colleges across the state; and use of diverse access methods (internet postings and job application). One significant recruitment goal is to ensure diversity exists in DDSN's workforce. EEO statistics help monitor DDSN's effectiveness in ensuring workforce diversity (See Figure 7.4-2)

State regulations and policies govern employee compensation and benefits. While benefits are standardized across State Government agencies, the department exercises flexibility allowed by the regulations to provide pay increases for promotions, reclassifications, good performance, and additional knowledge and duties as well as bonuses. Such salary increases are tied directly to the accomplishment of the department's mission and are approved only after the employee satisfies the published criteria for the attainment of each increase.

5.4 Workforce Capability and Capacity:

DDSN assesses its workforce skills, competencies and staffing levels through the EPMS, external surveys and audits and internal analysis of each organizational service area on a regular basis.

5.5 & 5.10

EPMS Supports and Evaluates High Performance:

The Employee Performance Management System (EPMS) is centered on continuous communication between the supervisor and the employee to support high performance. In addition, individualized action plans are incorporated into each EPMS and are used to guide the mission of the agency. Each employee can identify his/her role in contribution to the mission of the agency.

5.6 Development and Learning System for Leaders:

Management level employees are encouraged to take the Associate Public Manager accreditation for managerial expertise and to complete the Certified Public Manager accreditation for more advanced managerial expertise. The effectiveness of the training is measured by a formal needs

assessment with employees. The career paths encourage on the job use of the new knowledge and skills.

5.7, 5.8, 5.9, & 5.13

Identifying and Addressing Key Developmental and Training Needs, Employee Knowledge, Skills, and Development:

Job career paths are in place for over 85 percent of the non-management workforce. These include jobs such as auditors, analysts, human services specialists, building and grounds specialist, fiscal technicians, nurses, information resource consultants, and administrative specialists. Specific skills, duties, and training are required for progression to the next step. On the job and technical training is offered for progression in any one of the many career paths. Tuition assistance for employees striving to enter nursing, occupational therapy, and physical therapy is available. Each employee has the opportunity to reach the top of the individual plan with dedicated effort.

Succession planning is a key management tool utilized throughout all organizational levels of the agency. Employees nearing retirement and whose skills are specialized or unique are identified. Other agency employees who possess these specific skills are identified as possible replacements for the retiring employees. A mentoring and coaching system is available to enhance the employee's learning of the new skills and functions.

5.11 Motivation of Employees to Develop and Use Potential:

DDSN employees are encouraged to develop their full potential through a variety of methods both formal and informal. Each employee has a Position Description outlining the purpose of the job as it pertains to the mission and goals of the agency. Additionally, the Employee Performance Management System (EPMS) serves as a formal method to measure workforce potential. Organizational goals and objectives are outlined on the EPMS and each employee recognizes his/her worth to the agency. Informally, DDSN fosters an environment of trust and employees at the lowest levels feel empowered in the agency.

5.12 Employee Well-being, Satisfaction and Motivation Methods and Measures:

Formal and informal recognition is another key factor in the department's success. DDSN's Suggestions and Employee Recognition programs promote both individual and facility recognition. In addition, each Regional Employee of the Year and the DDSN Employee of the Year is recognized at the Central Office by the DSN Commission and the state director during a monthly commission meeting.

Other programs contribute to employee well-being. Tuition assistance, telecommuting and flexible work schedules help employees balance their personal and professional lives. Many employees contribute generously to the DDSN Leave Transfer Pool to help their colleagues during times of extended crisis. We currently have over 30,000 hours in the department's leave pool. Social events such as picnics, athletic events and various types of gatherings are regularly scheduled within the department.

The department uses a variety of methods to obtain feedback regarding employee satisfaction. These include individual interviews, informal conversations while "walking around," and exit interviews with departing employees. Priorities for improvement are based on those changes that would have a positive impact of the DDSN service delivery system.

An indicator of employee satisfaction is that DDSN's number of employee grievances has been less than 2 percent for the last three years and a turnover rate below the national average for our industry. (See Figure 7.4-1)

5.14 Maintaining a Safe, Secure and Healthy Work Environment:

OSHA guidelines are followed to maintain a safe and secure working environment. In addition, employees are offered employee health screenings and employee health workshops. All appropriate employees receive driver safety training. DDSN's policies and procedures familiarize employees with the disaster preparedness plan and employee responsibilities are clearly defined in the policies.

Category 6: Process Management

6.1-2 Key Processes That Determine Core Competencies, Create Value, and Enhance Efficiency and Effectiveness:

The agency's State Director and the executive staff constantly seek input from consumers, consumer advocates, parent groups and service provider representatives through both formal and informal methods to stay abreast of how the service delivery system is functioning. This input results in action by the Department ranging from changes in policy or process, to assisting an individual consumer. The Department relies on the consumers, families, advocates and service providers to provide feedback on the responsiveness of the service system to consumers. Groups include:

1. *Regional Center Parent Advisory Groups*
2. *Statewide Parent Advisory Group*
3. *Consumer Self-Advocacy Organizations*
4. *Advocacy Organizations including Protection and Advocacy of South Carolina, Inc.*
5. *SC Human Service Provider Association*

Strategic Processes: DDSN has shifted its system of services from a program-centered approach to one that is a person-centered. A strategic process is used to implement this person-centered approach to service and support delivery. A Person-Centered Single Plan is completed by a facilitator or service coordinator, capitated funding is authorized based upon the needs of the person and awarded through the annual contract with a provider, and accountability is assured through assessment of compliance with licensing standards. These are health and safety measures conducted by DDSN and DHEC licensing personnel. DDSN also measures compliance with state and federal standards and satisfaction of consumers and families via a contract with Delmarva, a private federally certified Quality Improvement Organization. Finally, DDSN is results oriented and uses an organizational performance approach to promote an enhancement of the system's responsiveness to its consumers. This process was developed in partnership with The Council on Quality and Leadership. The Council is internationally recognized for identifying "best practice" within the disability field. The Council's basic assurances and the organizing principles are used to assist providers as they continue the shift to person-centered supports. Customer satisfaction is the benchmark, and complementary measures with Delmarva and The Council are measures of the true impact of services for individuals and families.

Critical/Priority Needs Assessment: DDSN's Critical/Priority Needs system identifies and tracks persons who have critical or priority need of support. The needs of individuals are reviewed by a group of knowledgeable DDSN professionals to determine whose needs are most critical. Our most extensive and expensive services are then delivered to those individuals whose needs are identified as most intense. This assures that limited resources are provided to those individuals in greatest need. DDSN staff also provides support to our providers to assist them in proactively identifying individual needs before they reach a critical level.

Least Restrictive Services: DDSN persists in making every effort to shift available resources to prevention and family support services and to avoid unnecessary expensive out-of-home placements. (See Figure 7.1-1 and 7.2-1) The agency continues to focus on supporting families, not replacing families. This approach is often referred to as providing services in the “least restrictive” setting. It is considered a best practice in the field and additionally saves the state a significant amount of money. Even for the most restrictive and most expensive residential services, there is a hierarchy of restrictiveness. From minimal supports provided in the Supervised Living Program to intensive medical, educational, recreational, and personal care services provided in our Regional Centers. In recognition of this philosophy of providing services in the least restrictive setting, DDSN management staff review and approve the movement of all individuals moving to more restrictive and expensive residential service settings. Review of those individuals moving into our Regional Centers, the most restrictive and expensive residential service, are scrutinized with the greatest vigilance. This review process has resulted in our Regional Centers serving individuals with a higher level of needs than those served in public institutions in other states (See Figure 7.1-5).

Vacancy Tracking: Residential service vacancies are monitored and tracked on a regular basis. DDSN management staff conducts regular follow up with the residential service providers (including our directly operated Regional Centers) to assure that residential vacancies are filled with individuals in need in a timely manner. If providers fail to fill these vacancies in a timely manner, a financial sanction will be invoked. This assures that the most expensive service options are being utilized to the fullest extent possible. This monitoring has resulted in more than 30% reduction in residential service vacancies in the last several years.

Freedom from Abuse, Neglect, and Exploitation: DDSN manages a systematic response to allegations of abuse, neglect, and exploitation. DDSN enforces a 24-hour reporting rule required by law. State or local law enforcement agencies conduct most abuse investigations as mandated by law. Data reported from providers about abuse, neglect, and critical incidents are collected by DDSN to allow an evaluation of the effectiveness of given service providers in preventing and responding to these adverse incidents. DDSN staff complete an analysis of the data for trends and patterns. The results of investigations are reviewed and analyzed by DDSN management and trends are shared with providers. DDSN senior managers meet with providers that are experiencing deviations from the average rate of reporting abuse, neglect, or exploitation to assist them in developing remedial actions.

Complaint/Appeal Resolution: DDSN is committed to timely and effective resolution of complaints and appeal of adverse actions. A centralized system for receiving complaints and appeals is maintained so each complaint/appeal receives timely attention. Staff time is allocated to receive reports, gather information, interview consumers, their families, and providers, to assure that each complaint/appeal is addressed in an equitable manner in accordance with state and federal regulations. A computer record of all complaints is maintained which permits analysis and follow up with providers experiencing higher rates of complaints.

Budget Oversight: Over the past seven years, DDSN implemented a Service Management and Permanent Budget Reduction plan to absorb the \$26 million State fund reduction and the resulting \$85 million Medicaid fund reduction. The plan maintained current service levels to all persons receiving services while preparing to respond to new critical life or death situations that arose during the year. This was possible through a planful reduction in certain DDSN administrative positions. Regional functions were streamlined and other responsibilities and functions previously regionalized are now centralized. All of these changes were done with the challenges of improving performance, increasing efficiency and better serving people with disabilities, while still maintaining most services to everyone receiving them.

Services are utilized so that the Department can meet the needs of the greatest number of people possible and, at the same time, insure that out-of-home care is available for those individuals with truly critical needs. Services are grouped in four major categories: In-Home Individual and Family Support Services, Community Residential Services, Regional Centers and Prevention Services.

As directed over many years by Governors' administrations and the General Assembly, DDSN has pursued an aggressive effort to cover as much of the agency's service costs as possible by the federal government through Medicaid. This has meant a reduced cost to the state to provide services to persons with severe lifelong disabilities. Almost every service DDSN provides has some cost expensed to Medicaid across all programs, services, and populations served. DDSN has aggressively shifted resources over the past few years in order to meet the priorities of the Agency without additional funding. During the fifteen year period 1994 through 2008, DDSN shifted more than \$58 million in services from large state-operated facilities to locally operated disability boards/private providers as community alternatives were developed. This resulted in the reduction of 1,891 FTE's during the same period. (See Figure 7.3-5, also Figure 7.1-11 and 7.3-2) The Agency has privatized supply warehousing, laundry, printing services, pharmacy services, quality assurance, some medical and food services, vehicle maintenance, garbage services and mainframe computing resulting in savings and the reduction of additional FTE's while generally improving quality. DDSN's Central Office administration cost has been minimized to less than two percent. (See Figure 7.2-9) These savings were reallocated to the highest priorities of the Agency.

6.3 Key Performance Requirements:

DDSN monitors our service providers regularly. The Agency adopted a centralized and consistent approach to review providers using DDSN licensing standards. DDSN licensing professionals conduct regular on-site reviews of provider organizations. This staff reviews policy and procedure, consumer records, consumer funds, governance, and facilities. The staff either issues a license to operate, a license with a plan of correction, or withdraws the license to operate. Additionally, in 1999 DDSN began measuring compliance with federal Medicaid regulations using a Key Indicator approach. In 2001, First Health Services, Inc. of South Carolina was contracted with to conduct these reviews. In 2007, after a competitive bid, Delmarva received a contract to perform this crucial monitoring function. This arrangement was to assure an "arms length" relationship exists between DDSN, compliance measurement, and providers. DDSN staff not involved with these provider reviews offer targeted technical assistance to those providers identified to have performance problems through the licensure and compliance reviews. DDSN evaluates the specific components of both the licensing and compliance review process on an annual basis. Changes in the areas of provider performance review occur as a result of these reviews based upon prior year performance trends and changes in national "best practices". Typically these changes result in an increase in expectations of providers. Another example of how DDSN is constantly striving to enhance our monitoring systems is a Real Choices System Change Grant received by DDSN from the federal government. This grant allowed for DDSN's multi-tiered system of quality enhancement to be evaluated by highly regarded independent entities. This independent evaluation found the DDSN system to have many superior features. This was the first independent evaluation ever conducted of a state developmental disability agency's quality enhancement system. In addition to the aforementioned items, Delmarva collects information on National Core Service Indicators, and consumer/family satisfaction data. This unbiased, independent third party review process has produced valuable insight for both DDSN and the providers as it allows us to compare our performance to the performance of disability agencies in other states (See Figure 7.2-6 and Figure 7.5-3). Finally DDSN imposes sanctions if providers are not compliant in the critical areas of eligibility, planning, and implementation Key Indicators that are assessed by Delmarva. The Department of Health and Environmental Control (DHEC) monitors the performance of our directly operated Regional Centers and our private provider operated community ICF/MRs. DHEC

uses a set of comprehensive regulations to guide this monitoring. If the Regional Centers or private community ICF/MRs do not meet these federal regulations, DHEC will revoke the provider's license.

6.4-6 Key Service Process Evaluation and Enhancement:

In 1997, South Carolina became the first state to pursue an outcome based measurement system. A committee of stakeholders was formed to review several companies that provide this service and selected The Council on Quality and Leadership, which is recognized as the world leader in outcome methods of quality improvement. The Council led us toward the goal of using the measurement of 25 personal outcomes and a provider's efforts to provide support as the primary data. This state of the art in quality improvement system and information is used in several ways, including individual supports planning, and establishing agency goals.

These efforts led us to develop an organizational performance enhancement system – a one of a kind total systems approach to quality improvement. The system draws data from Licensing, Delmarva, and organizational performance measures. A team including consultants, provider staff, consumers, families, board members, and others engaged in a two to four day examination of a provider's service and support system. They examine governance, policy and procedure, resource utilization, staffing, staff development, and the consumer information on the desired outcome. The information is distilled to a report outlining strengths, opportunities, and challenges for the provider. The team makes specific recommendations about where and how the provider should go about making changes in policy, procedure, and day-to-day operations. This total approach to quality management closes the loop in DDSN's search for excellence.

DDSN's executive team meets monthly to review the status of the service and support system. Executive team members review data collected by multiple agency activities to include quality management teams, licensing personnel, abuse/neglect reports, death reports, critical incidents, Delmarva reports, DHEC reports, independent audits, and Internal Audit. The team analyzes the data, obtains input from other stakeholders and then develops plans to improve those processes which do not produce the desired outcomes. The team has the authority to deploy resources to either implement or assist with the implementation of a corrective plan.

6.7 Service Need Resource Forecast:

DDSN collects and analyzes the cost and available non-state revenue for all services provided directly and through contracted providers and for system oversight infrastructure on at least an annual basis. DDSN complies with Governmental Accounting Standards Board guides to complete our cost and revenue forecasting efforts.

DDSN also maintains and updates, on a daily basis, service waiting lists which reveal the level of need of potential consumers. As noted above, DDSN has a process for systematically evaluating the urgency of consumer need. This provides an up to date and accurate accounting of the number and types of services that are needed by degree of urgency. Using the detailed cost figures noted above, DDSN can project the resources needed to address the varying degree of service urgency.

As noted above, DDSN tracks system performance against other states. When our performance appears to be lagging, DDSN will utilize either our own cost figures or nationally available cost figures to project resources needed to address these areas of needed improvement.

Category 7: Results

Figure 7.1-1

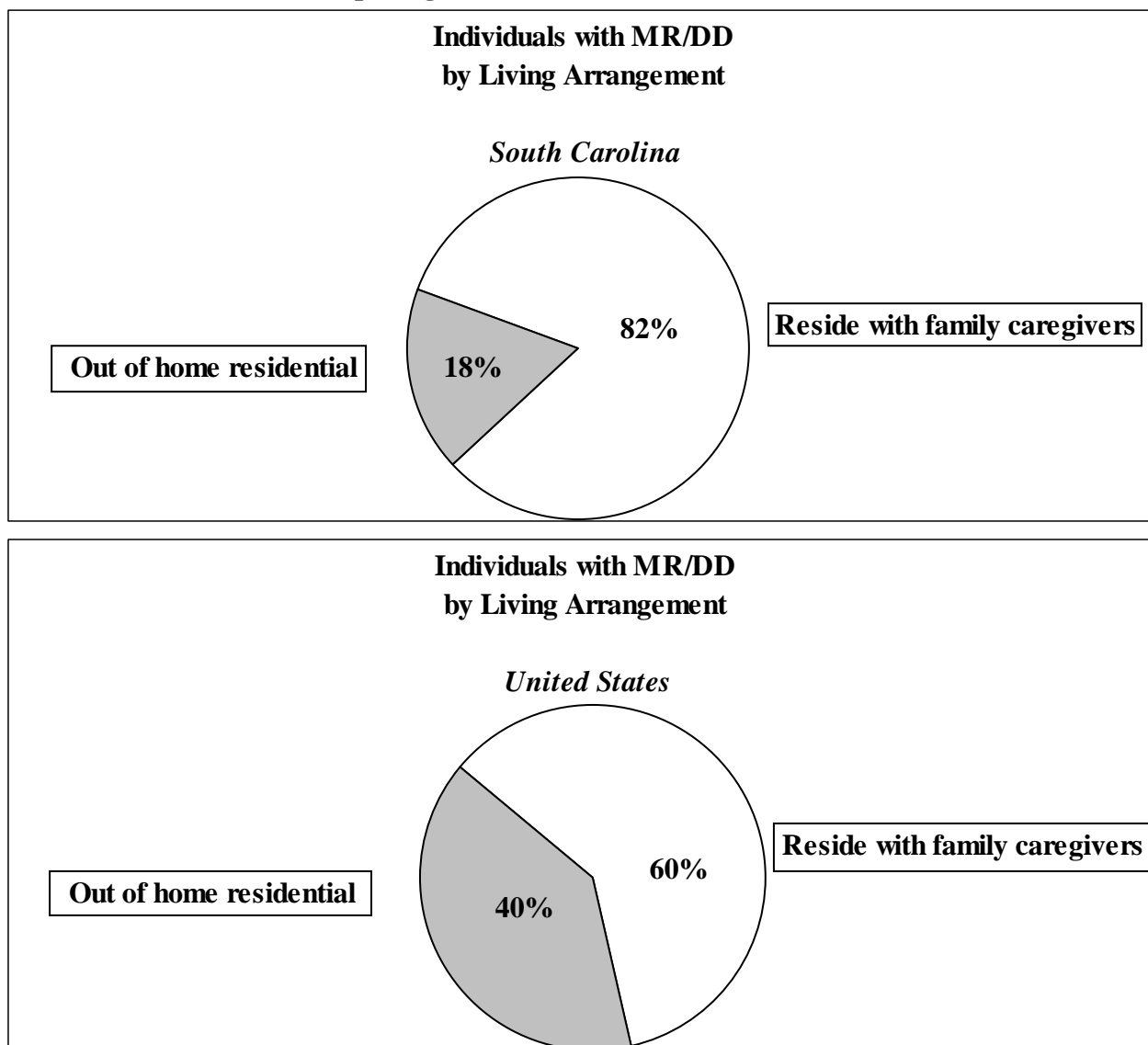
Figure 7.2-1

Section I:
Major Achievements

Section II:
Key Customers Segments & Key
Requirements/Expectations

Section III:
Category 3 – Customer & Market Focus
Category 6 – Process Management

South Carolina Department of Disabilities and Special Needs Living Arrangements for Consumers with Mental Retardation/Related Disabilities (MR/RD) Comparing South Carolina with United States



Serving people with severe lifelong disabilities in their homes with family is best for the person, preferred by families and is the most cost efficient service alternative for taxpayers. Of the 27,738 persons with mental retardation and related disabilities and autism served by DDSN, 82% live with family caregivers, compared to only 60% nationally. DDSN is doing a better job of keeping families together through respite, personal care, day services and other needed supports.

Data Source:

The State of the States in Developmental Disabilities: 2008 published by The University of Colorado

Figure 7.1-2

**South Carolina Department of Disabilities and Special Needs
Ranking of States' Ability to Create Community – Inclusive Lives for
Americans with Mental Retardation/Related Disabilities (MR/RD)**

Chart A

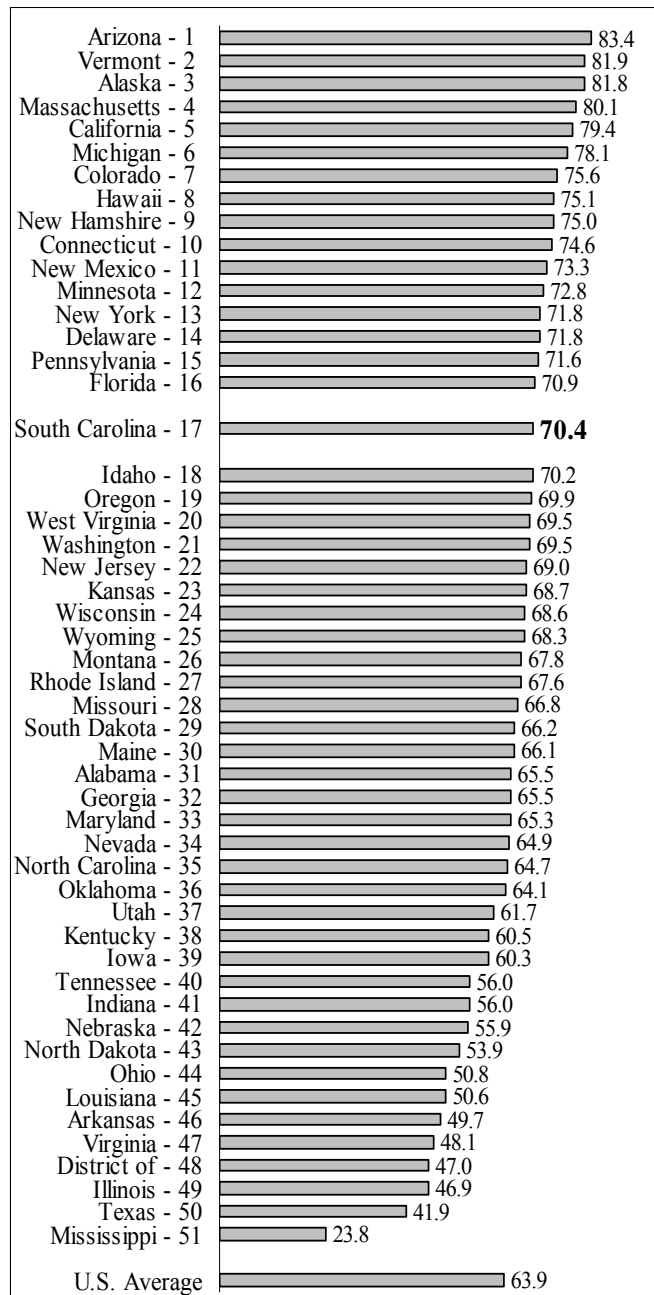
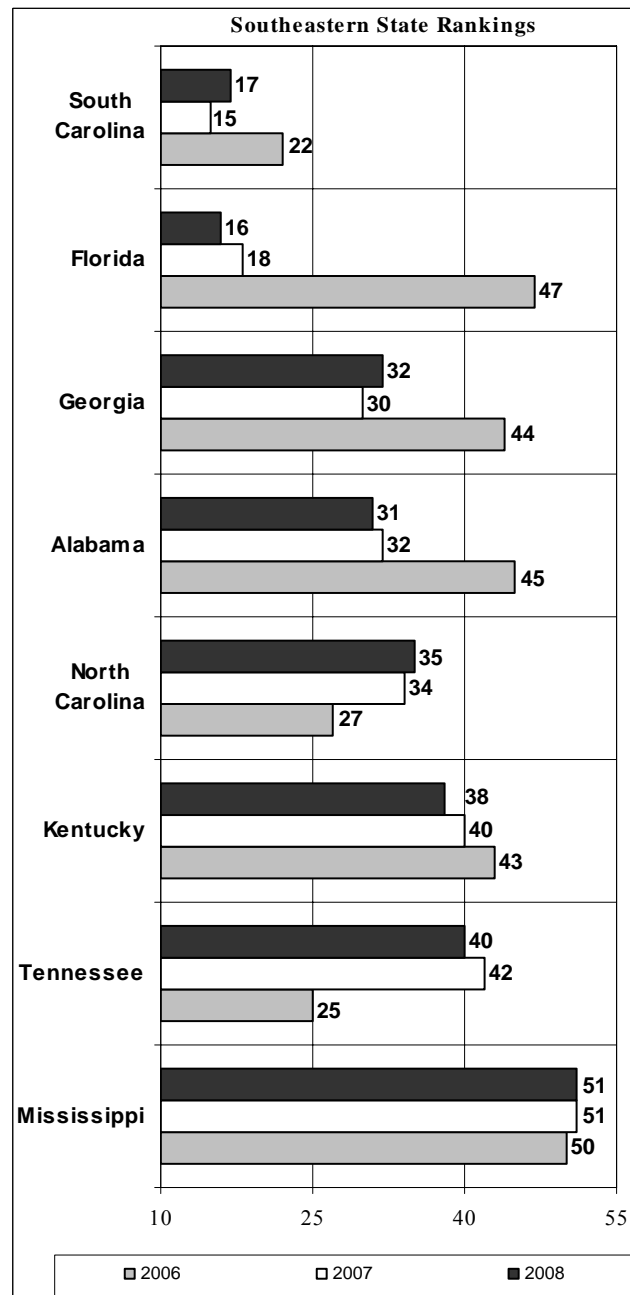


Chart B



United Cerebral Palsy is one of the nation's leading organizations serving and advocating for more than 54 million Americans with disabilities. Their ranking is based on the states' ability to create quality, meaningful and community-inclusive lives for Americans with intellectual and developmental disabilities. South Carolina ranked number 17 in 2008, just slightly down from 2007, but up from number 22 in 2006. South Carolina was next to the top state listed in the Southeast in 2008.

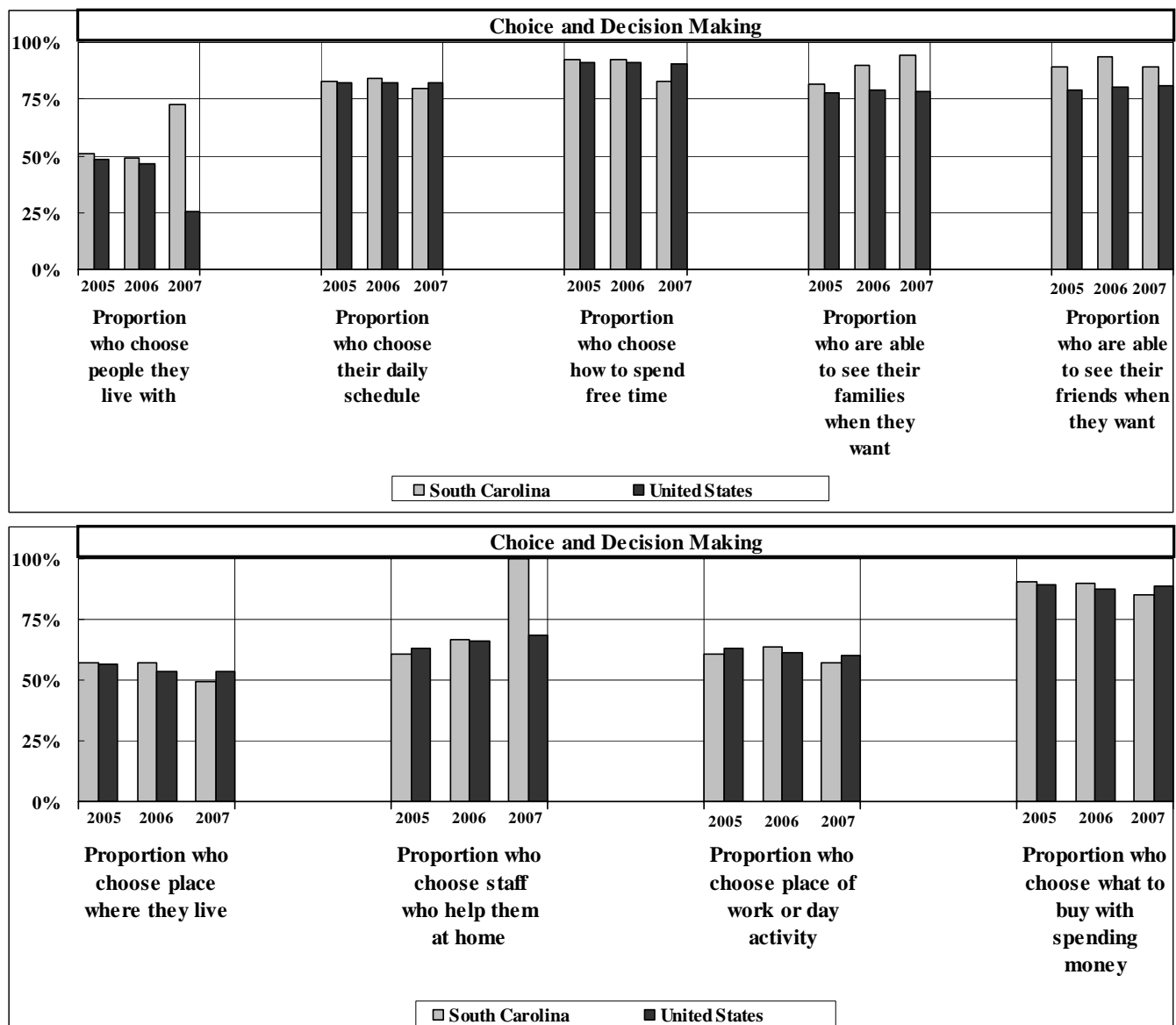
Data Source:

The Case for Inclusion - An Analysis of Medicaid for Americans with Intellectual and Developmental Disabilities: 2006, 2007 and 2008 published by United Cerebral Palsy

Figure 7.1-3a

Section III:
Category 1 – Leadership
Category 3 – Customer & Market Focus
Category 4 – Measurement, Analysis & Knowledge Management

**South Carolina Department of Disabilities and Special Needs
Results of Consumer Survey
Comparing South Carolina with United States
On Consumer Outcomes of:**



South Carolina consumer survey results compare very favorable with national data regarding reliable and valid measures of consumer choice and decision making in various aspects of their lives, and community inclusion. This data is used to improve system performance, build upon practices that work, and ultimately to improve meaningful outcomes in consumers' lives.

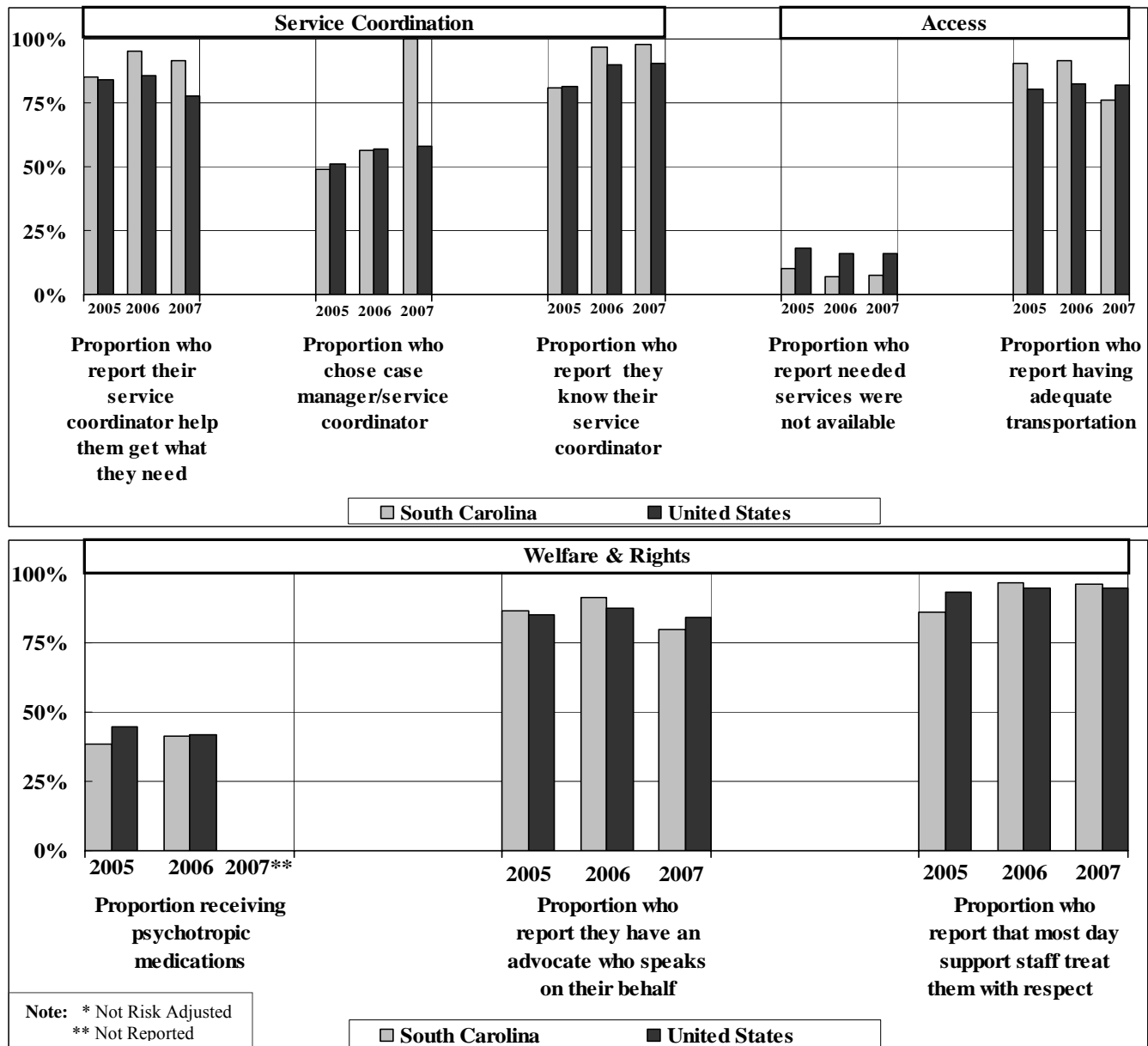
Data Source:

Consumer Outcomes - National Core Indicators: Phase VII Final Report for Fiscal Year 2004-2005 data; Phase VIII Final Report for Fiscal Year 2005-2006 data; Phase IX Final Report for Fiscal Year 2006-2007 date published by A Collaboration of the National Association of State Directors of Developmental Disabilities Services and Human Services Research Institute

Figure 7.1-3b

Section III:
Category 1 – Leadership
Category 4 – Measurement, Analysis &
Knowledge Management

**South Carolina Department of Disabilities and Special Needs
Results of Consumer Survey
Comparing South Carolina with United States
On Consumer Outcomes of:**



South Carolina consumer survey results compare very favorable with national data regarding reliable and valid measures of consumer service coordination, access, and welfare and rights in various aspects of their lives, and community inclusion. This data is used to improve system performance, build upon practices that work, and ultimately to improve meaningful outcomes in consumers' lives.

Data Source:

Consumer Outcomes - National Core Indicators: Phase VII Final Report for Fiscal Year 2004-2005 data; Phase VIII Final Report for Fiscal Year 2005-2006 data; Phase IX Final Report for Fiscal Year 2006-2007 data published by A Collaboration of the National Association of State Directors of Developmental Disabilities Services and Human Services Research Institute

South Carolina Department of Disabilities and Special Needs Summary of Agency Residential Beds

Chart A

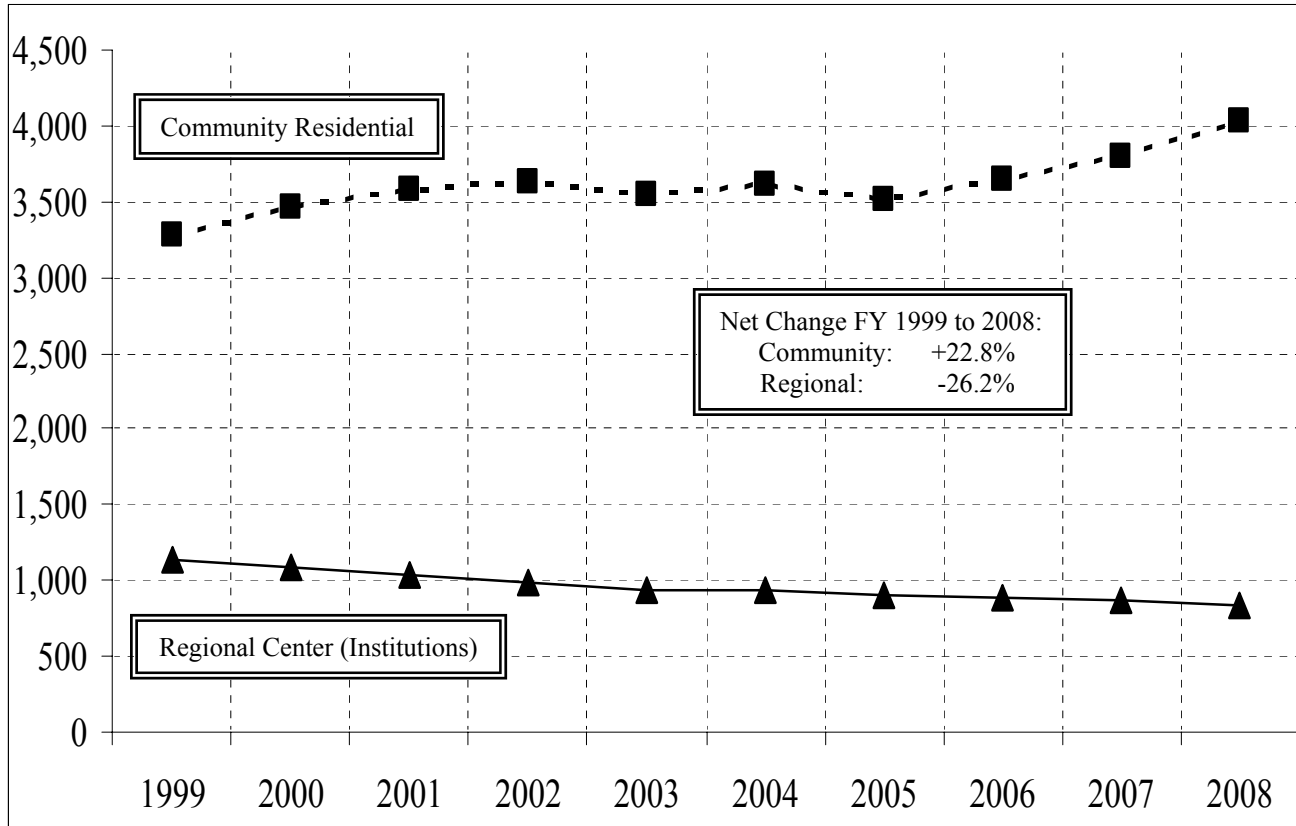
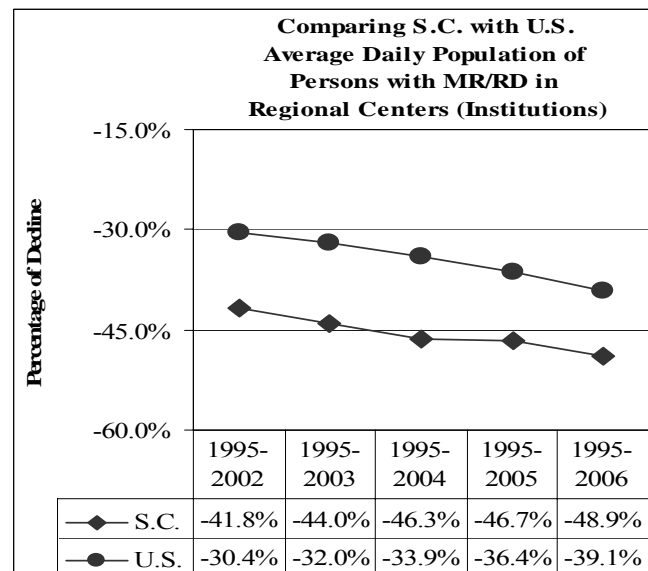


Chart B

Consistent with consumer preference and choice, DDSN continues to shift residential services from regional centers to local community services. South Carolina like the rest of the nation continues to reduce institutional capacity due to the array of residential options now offered closer to the consumers families' homes.



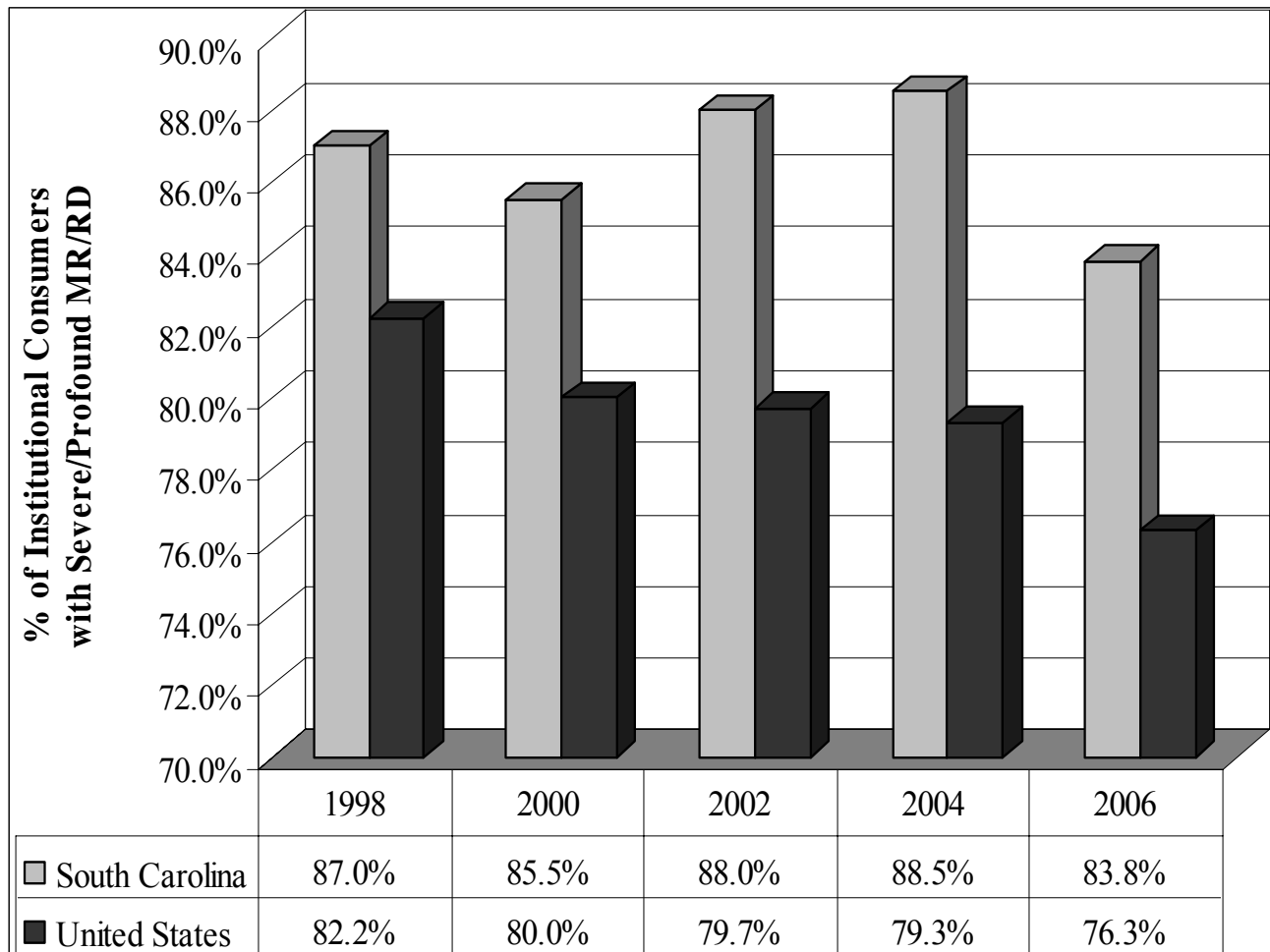
Data Source:

Chart A - Agency data provided by DDSN

Chart B - Residential Services for Person with Developmental Disabilities: Status and Trends through 2002, 2003, 2004, 2005, and 2006 published by The University of Minnesota

Figure 7.1-5

**South Carolina Department of Disabilities and Special Needs
Level of Intellectual Disability of Consumers
Residing in Regional Centers (Institutions)
Comparing South Carolina with United States**



The above figure compares the percentage of individuals with the most extensive disabilities who are served in DDSN's regional centers to the national average. The needs of the individuals served in South Carolina's regional centers (institutions) are consistently higher than the national average.

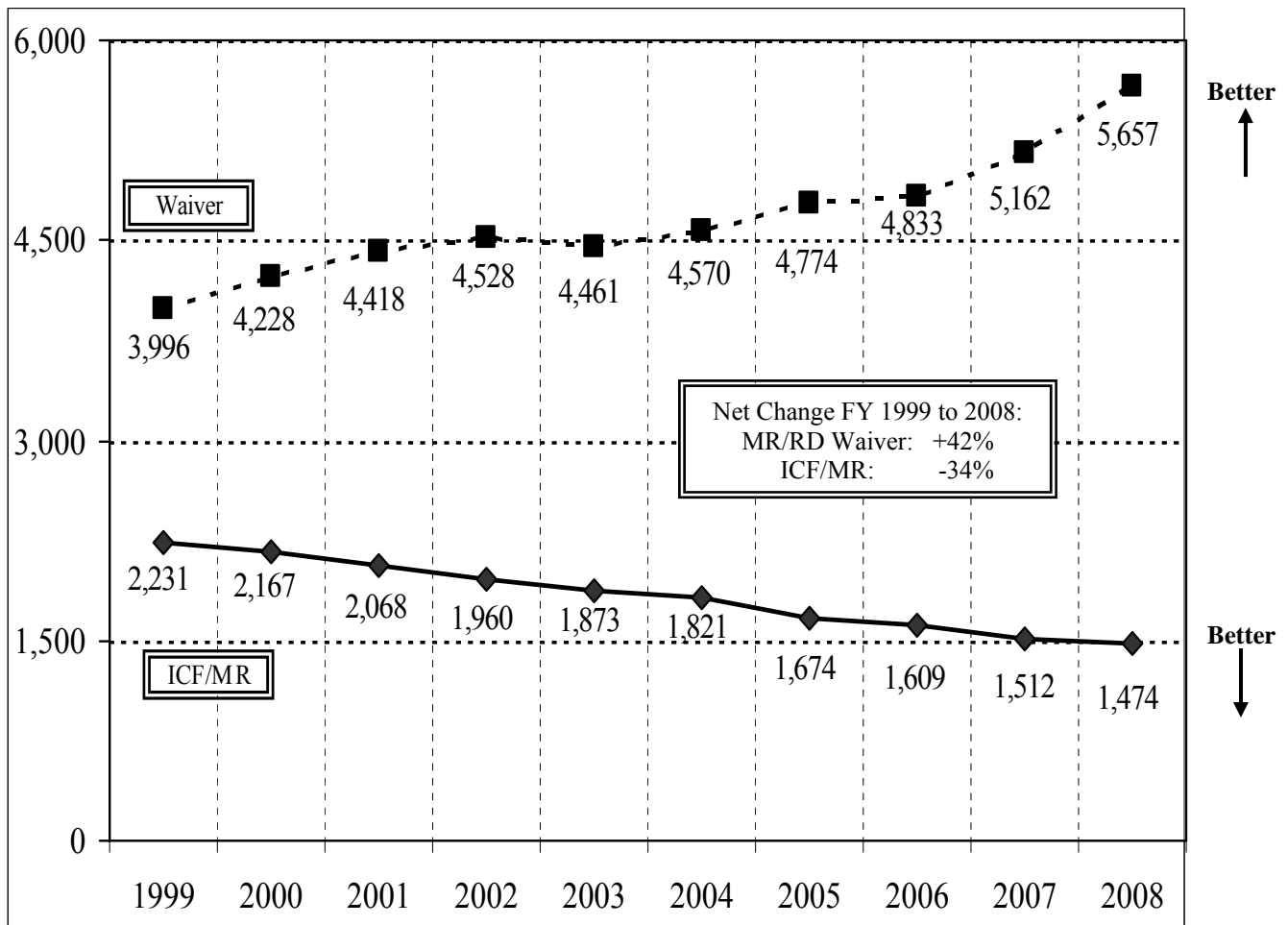
Data Source:

Residential Services for Person with Developmental Disabilities: Status and Trends through 1998, 2000, 2002, 2004, and 2006 published by The University of Minnesota

Figure 7.1-6
Figure 7.3-1
Figure 7.5-1

Section III:
Category 4 – Measurement, Analysis, &
Knowledge Management

**South Carolina Department of Disabilities and Special Needs
Delivery of Services Per Consumer Choice
Home and Community Based Settings (MR/RD Waiver)
Versus Institutional (ICF/MR)**



DDSN provides services to consumers based on their choice for those services and at the same time providing these services in the most cost efficient manner. The demand for ICF/MR services has decreased by 34% since 1999, while the demand for waiver services has increased by 42%.

The mental retardation and related disabilities (MR/RD) Medicaid waiver is a less expensive alternative to Medicaid's intermediate care facilities for people with mental retardation (ICF/MR). The waiver allows consumers and families to receive Medicaid funded services in the community in the least restrictive environment.

Data Source:
Agency data provided by DDSN

Figure 7.1-7

South Carolina Department of Disabilities and Special Needs
Community Residential Waiting List

Chart A

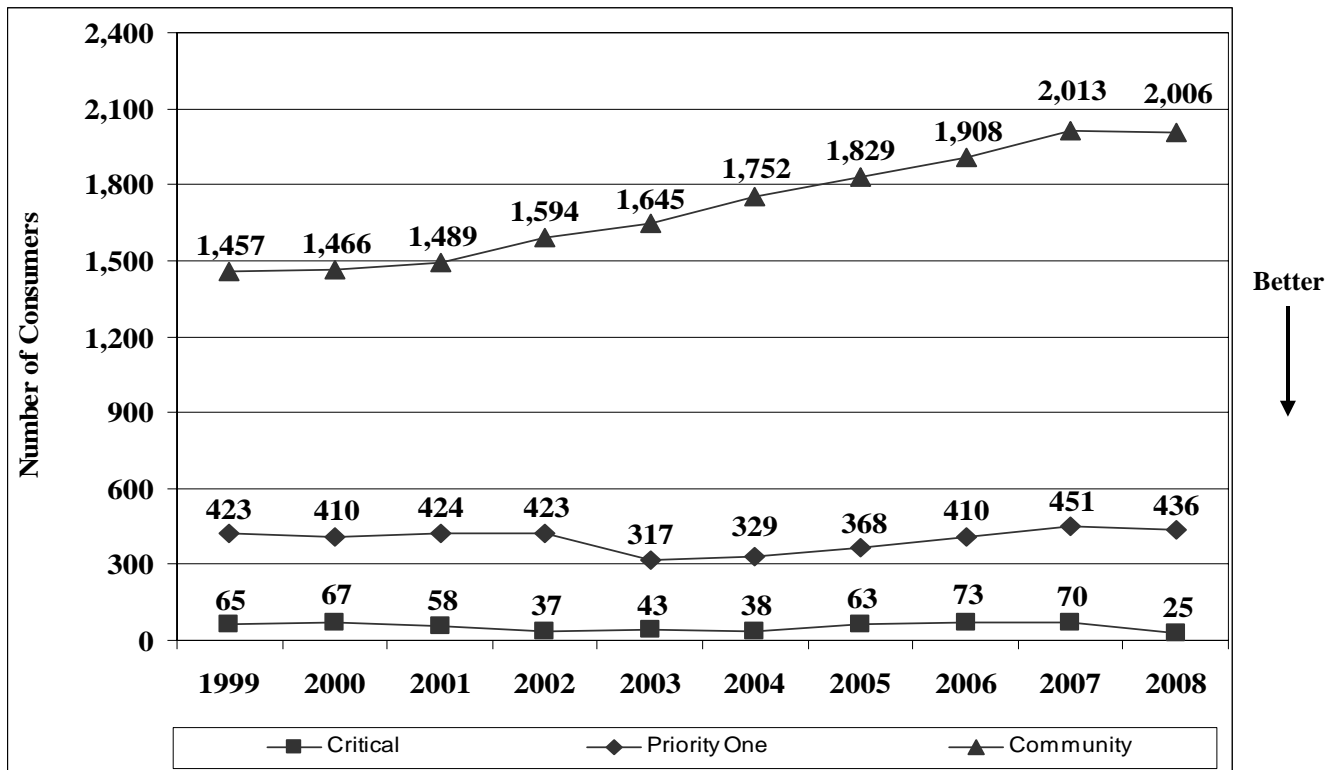
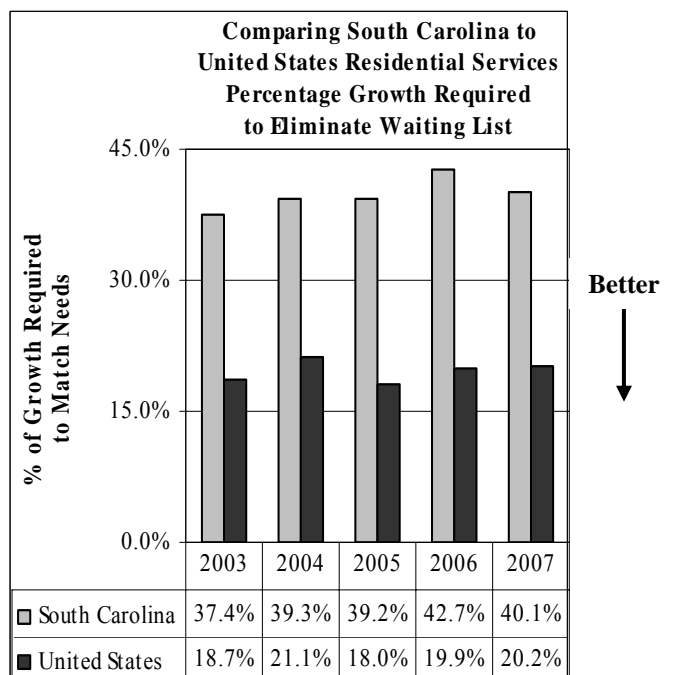


Chart B

DDSN has over 2,000 consumers living at home waiting for community residential services which is a 38% increase since 1999, even with removing over 3,507 from the list. When demand outpaces funds available, DDSN must prioritize services to those persons with lifelong disabilities who have the greatest need. For example, those living in critical circumstances, those living with aging caregivers, and those for whom supports in the family's home are no longer adequately addressing the consumers needs. South Carolina's waiting list continues to be much greater in size than the national average.

The Governor and the General Assembly recognize the need and appropriated funds for additional beds in fiscal years 2006 and 2007 which has leveled the growth in the waiting list.

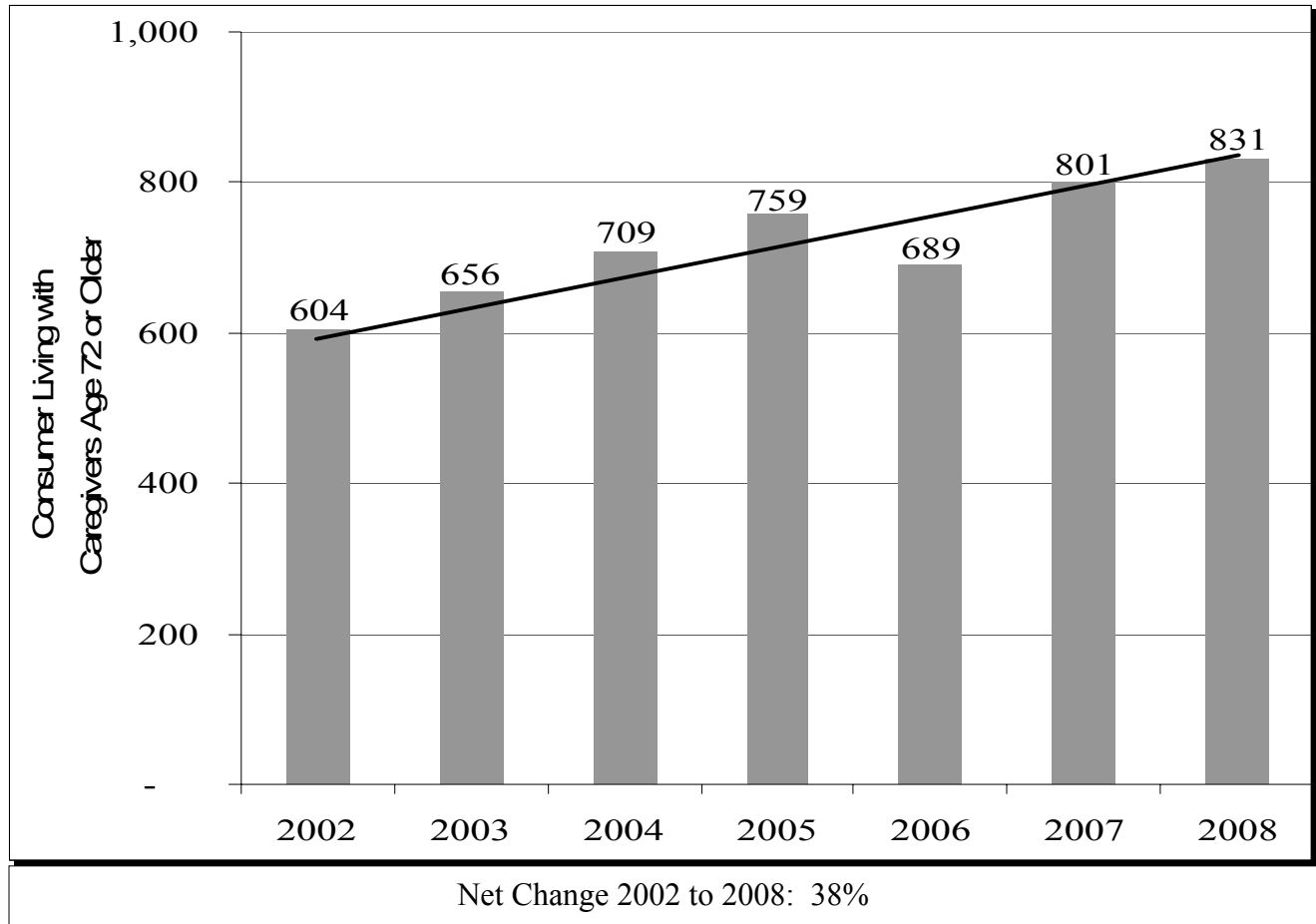


Data Source:

Chart A - Agency data provided by DDSN

Chart B - Residential Services for Persons with Development Disabilities: Status and Trend through 2003, 2004, 2005, 2006, and 2007 published by The University of Minnesota

**South Carolina Department of Disabilities and Special Needs
Consumers with Mental Retardation/Related Disabilities (MR/RD)
Living with Caregivers Age 72 or Older**

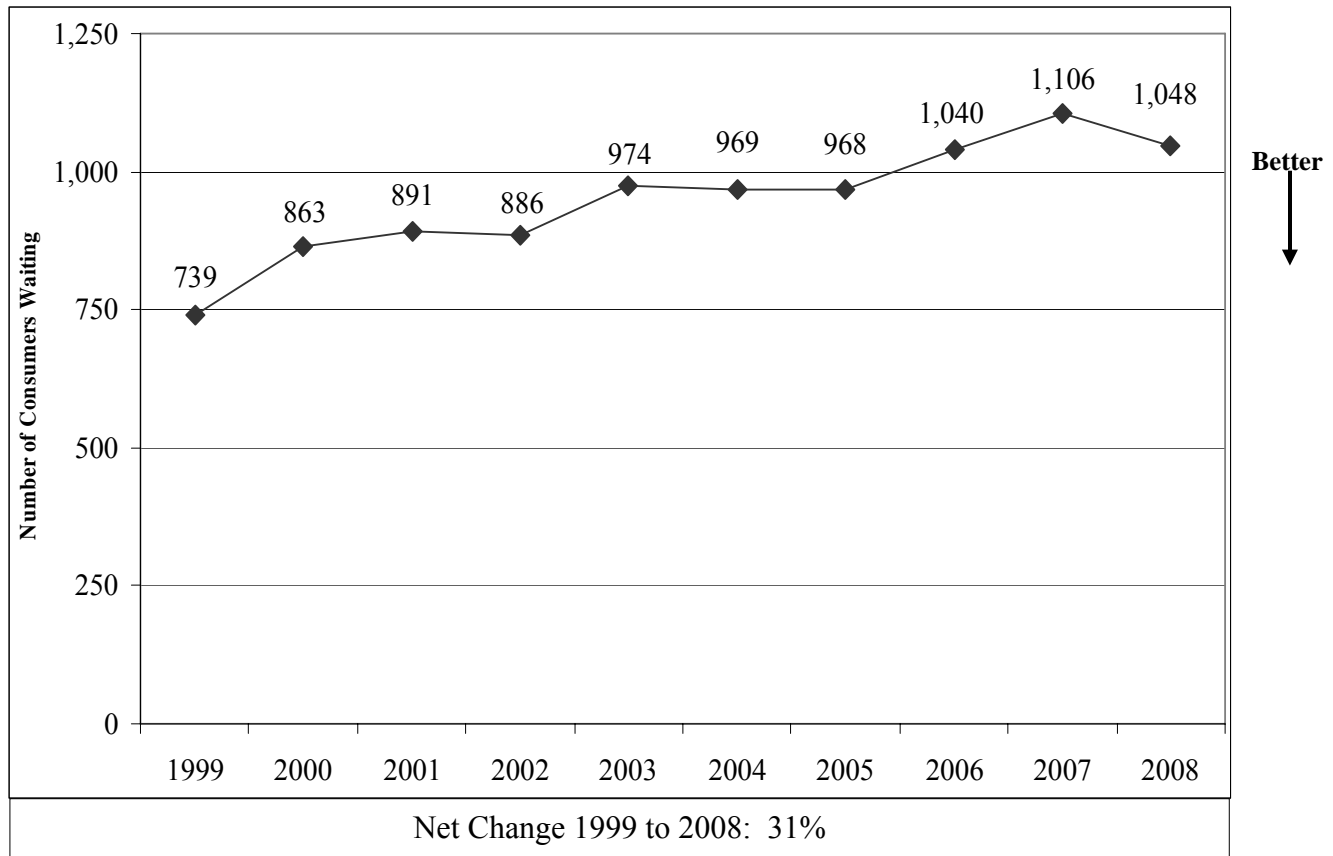


The number of consumers living with caregivers 72 years of age or older has increased 38% since 2002. The Governor and the General Assembly allocated new funding for fiscal years 2006 and 2007 to provide additional residential services to consumers. At any time, care for consumers by older caregivers could become jeopardized as the caregiver's health deteriorates, dies or is no longer able to take on this responsibility.

Data Source:
Agency data provided by DDSN

Figure 7.1-9

**South Carolina Department of Disabilities and Special Needs
Day Services Waiting List**

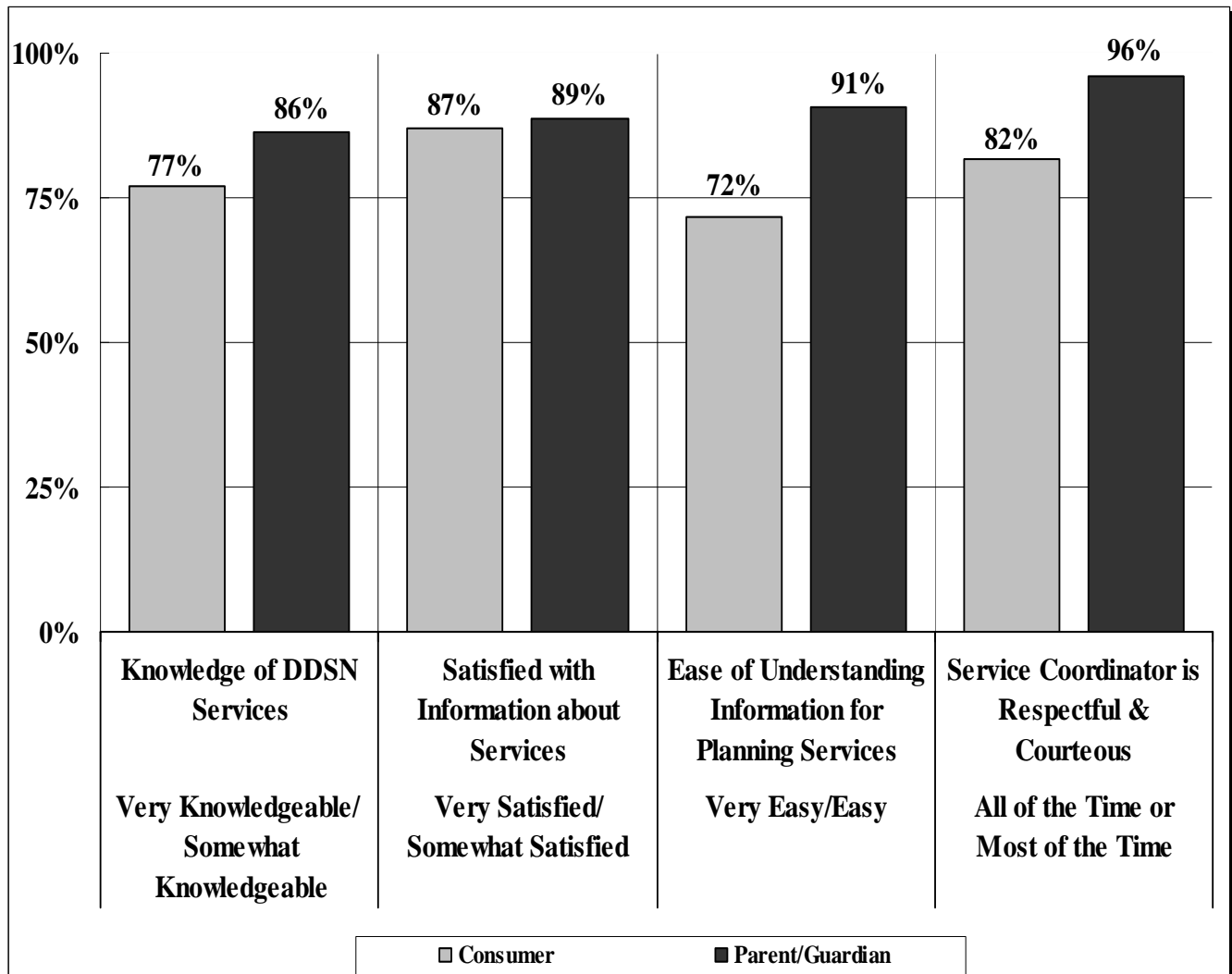


There are almost 1,050 consumers who live at home and are awaiting day support services. The waiting list for day services has increased over 31% since 1999 even though over 10,620 people have been removed since 1999. More people get added to the waiting list than the agency's resources to provide day services to them. These habilitative and job-related services are important for the consumers, allow family members to remain employed and prevent the need for more expensive out-of-home placement.

Data Source:
Agency Data provided by DDSN

Figure 7.1-10
Figure 7.2-4

**South Carolina Department of Disabilities and Special Needs
 Service Evaluation/Needs Assessment Survey Report**



DDSN uses a variety of methods to obtain feedback from consumers and their families regarding their experiences with DDSN services. One method is to use independent evaluators to conduct telephone interviews using scientifically designed surveys, thus assuring valid and reliable results. Findings from the survey are used to improve customer satisfaction by designing and implementing specific strategies and interventions. For example, although most customers and their families report they are knowledgeable of DDSN services, DDSN continues to develop new materials to increase this rate.

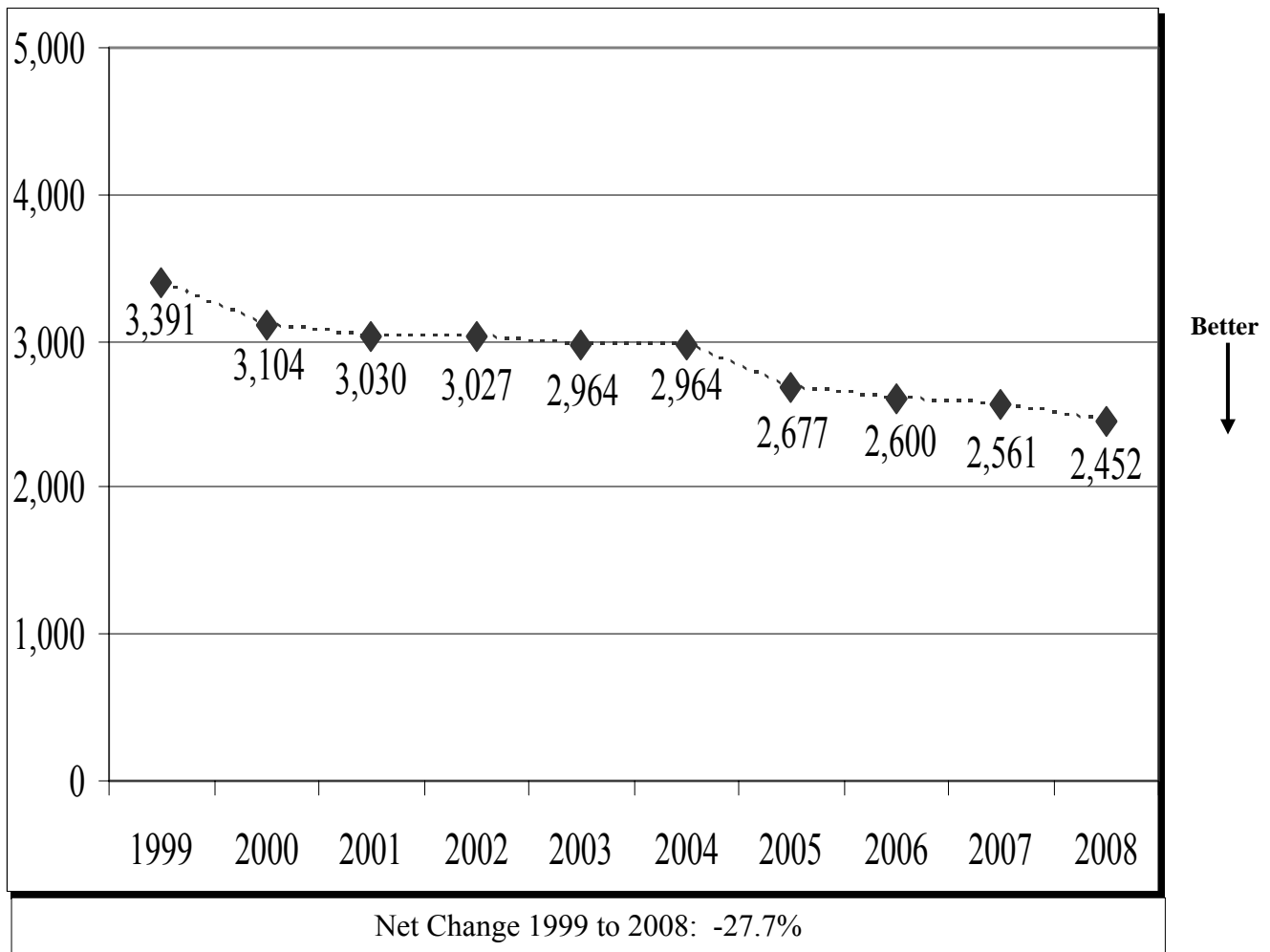
Data Source:

Service Evaluation/Needs Assessment Survey Report: South Carolina Department of Disabilities and Special Needs: July 2007 published by University of South Carolina, College of Arts and Sciences, Institute for Public Service and Policy Research

Figure 7.1-11
Figure 7.3-2

Section III
 Category 1 – Leadership
 Category 6 – Process Management

**South Carolina Department of Disabilities and Special Needs
 FTE's (Full-time Equivalents)**



From 1999 to 2008, over 900 FTEs were eliminated. The purpose was to assist the agency in aligning its human resources needs with the operational needs now and in the future.

NOTE: DDSN was the first agency given authority to develop and offer employees a Voluntary Separation Program (VSP) with a special separation benefit package. The fiscal year 1998 and fiscal year 1999 Appropriations Acts included a DDSN requested proviso for retargeting resources/FTE reduction giving DDSN the authority to develop a plan to retarget resources, realign its workforce, and continue to provide services in the most appropriate settings.

Data Source:

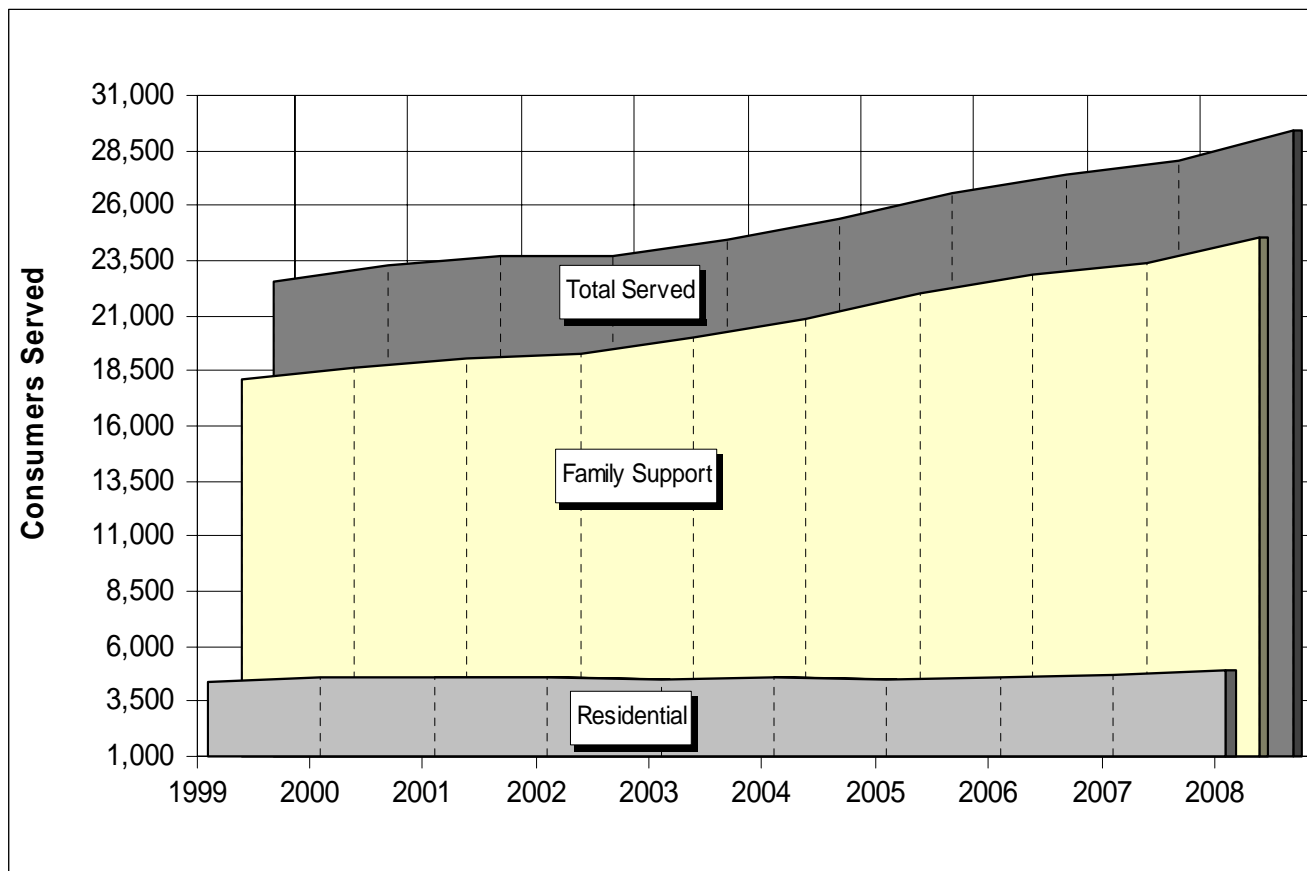
Agency data provided by the Office of Human Resources and the Budget and Control Board

Figure 7.2-5
Figure 7.5-2

Section I:
Major Achievement

Section II:
Key Customer Segments & Key
Requirements/Expectations

South Carolina Department of Disabilities and Special Needs Summary of Agency Services



Net Change FY 1999 to 2008:

Total Served: 31%

Family Support: 36%

Residential: 10%

DDSN policies reflect federal and state laws by supporting people in the least restrictive setting possible. In the ten year period shown, there has been a 36% growth in the use of family support services compared to only 10% growth in residential services.

Of the more than 29,000 persons served by DDSN, 82% live with family caregivers, compared to only 60% nationally. DDSN is doing a better job of helping individuals live in a family setting.

Data Source:

Agency data provided by DDSN

National data provided by The State of the States in Developmental Disabilities: 2008 published by The University of Colorado

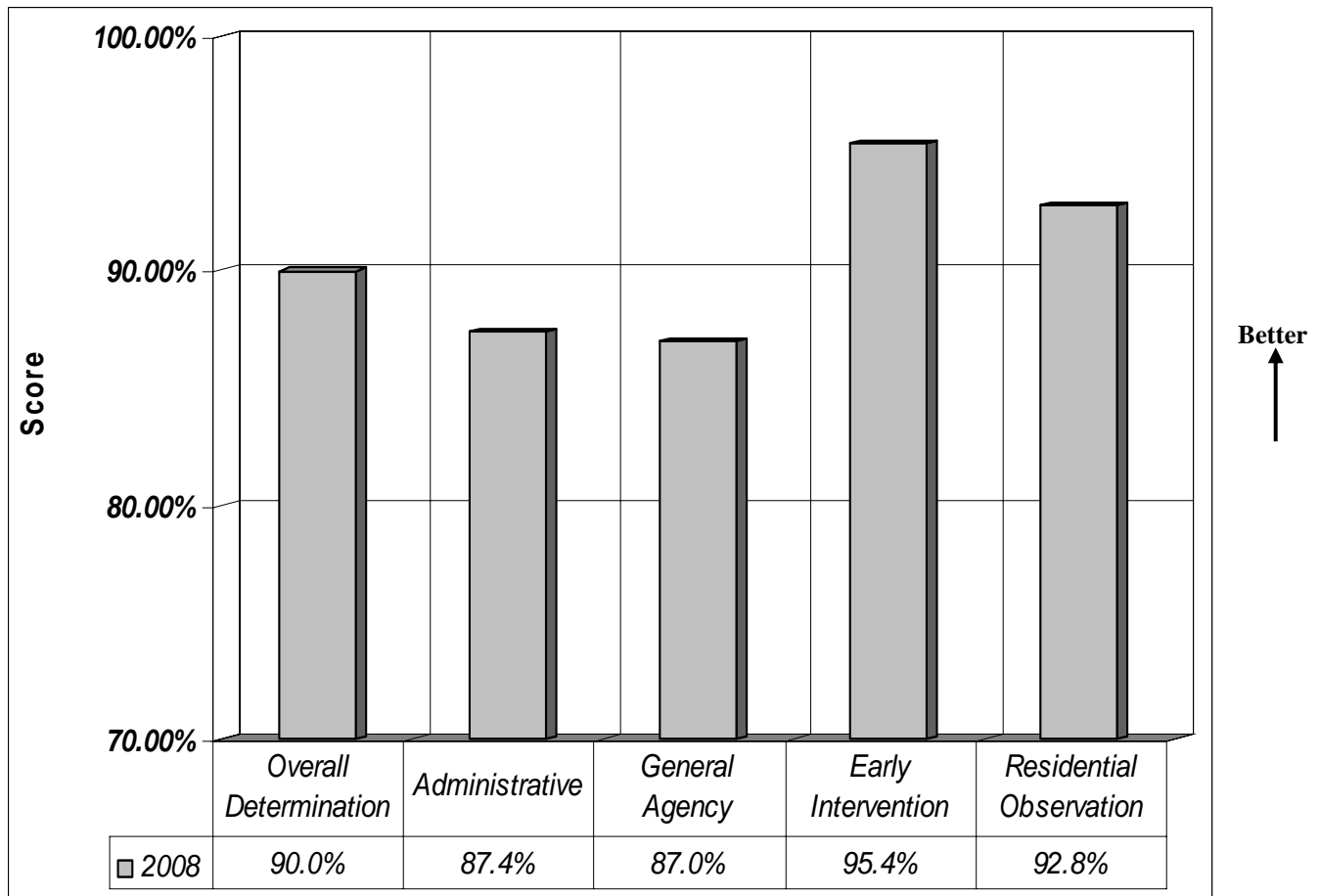
Figure 7.2-6

Section II:
Performance Improvement Systems

Section III:
Category 3 – Customer and Market Focus
Category 4 – Measurement, Analysis, &

Figure 7.5-3

**South Carolina Department of Disabilities and Special Needs
Annual Medicaid Performance Rating on
Compliance and Service Effectiveness**



For the seventh consecutive year, DDSN had contracted with a nationally recognized CMS-Certified Quality Improvement Organization to conduct a sophisticated annual quality assurance review of DDSN service providers. Areas such as health, safety, rights, compliance with Medicaid contracts, choice, service planning, and fiscal management are reviewed. The four (4) major domains of review are **Administrative**, including fiscal, governing body, critical reporting system and other management indicators; **General Agency**, including a broad range of direct service indicators such as services provided are meeting clients' needs; **Early Intervention**, including measures that evaluate the effectiveness of services to children from birth to age six, and **Residential Observation**, which evaluates the support provided to consumers in their homes during unannounced visits.

Data Source:

Delmarva Foundation., "Report of Findings, Annual Aggregate Data"

Figure 7.2-7

Section I:
Key Strategic Goals

South Carolina Department of Disabilities and Special Needs
DDSN Consumers Served By
Other State Agencies

Chart A

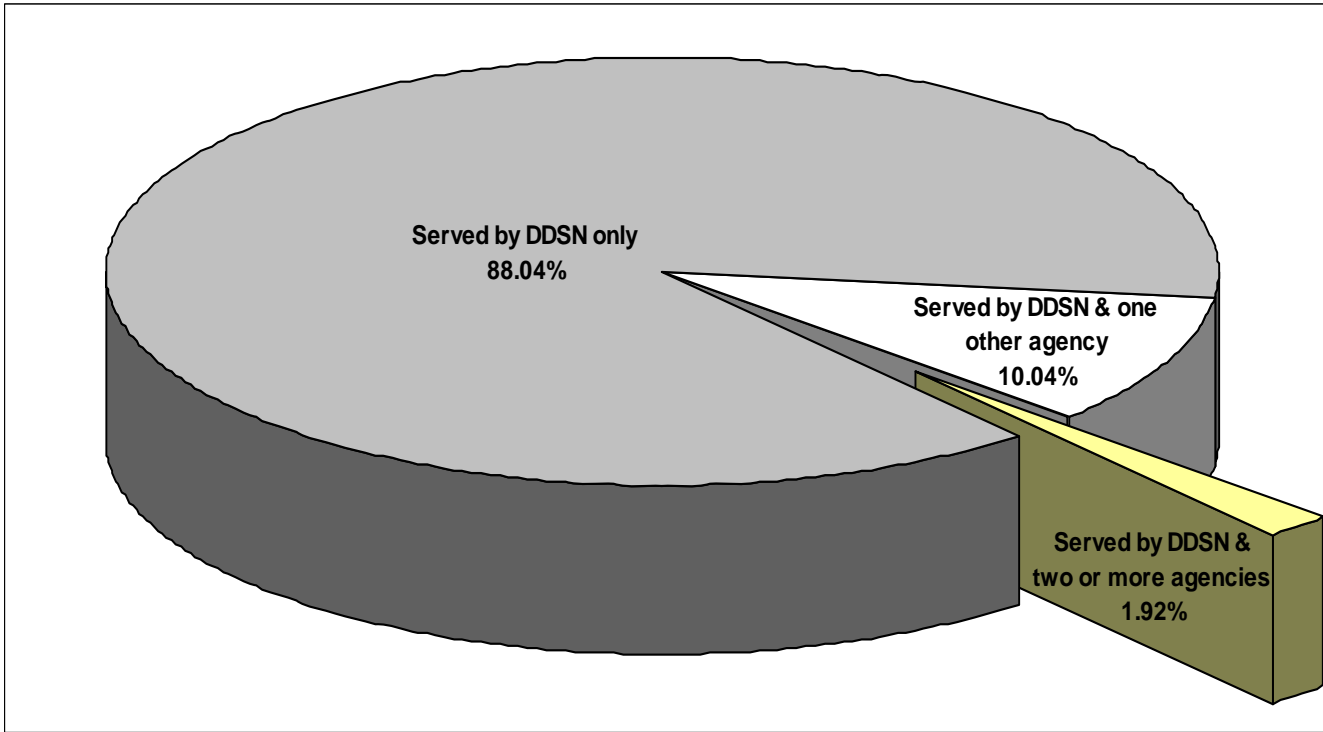
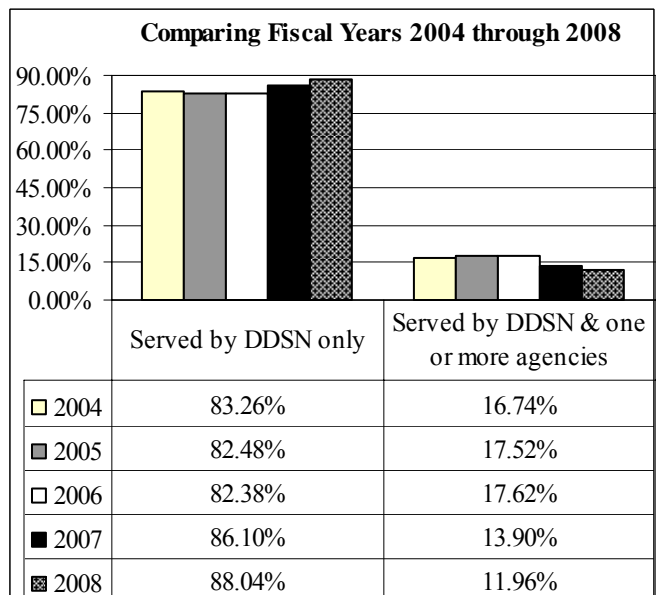


Chart B

Most individuals served by DDSN do not receive services from other state agencies. When they do they complement not duplicate other agencies' services. For example, DDSN is the largest provider of DHEC's BabyNet program serving nearly 3,575 infants and toddlers annually. DHEC's Children's Rehabilitative Services and DHHS's Community Long Term Care round out the top three. This excludes services received by individuals under the State Medicaid Plan. DDSN's support focuses on those needs to address the individual's specific disability.

DDSN continues to track other agencies' involvement to ensure collaboration and efficient use of services.



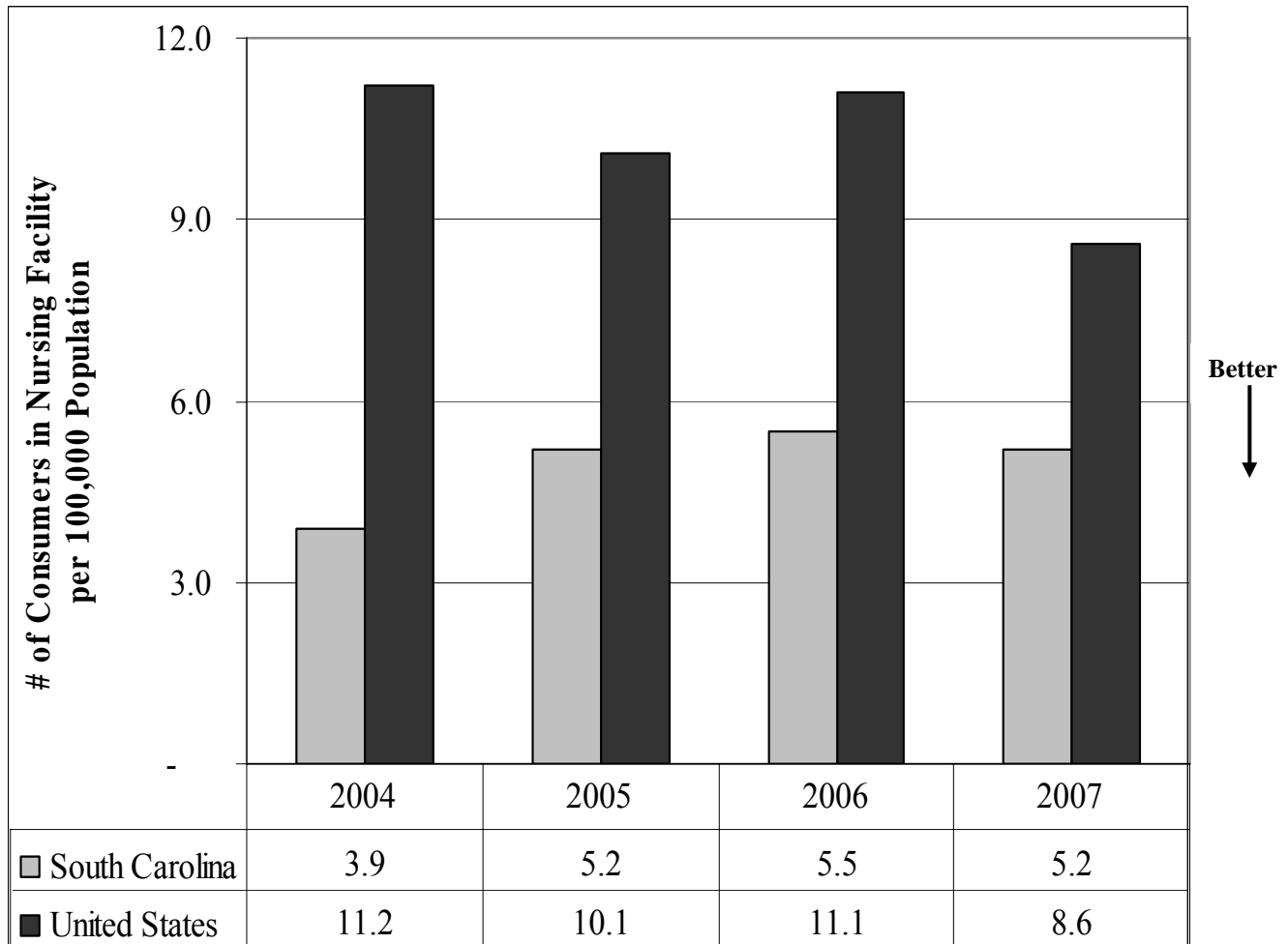
Data Source:

Agency data provided by DDSN

Figure 7.2-8

Figure 7.6-1

**South Carolina Department of Disabilities and Special Needs
Rate of Consumers with Developmental Disabilities
Placed in a Nursing Facility per 100,000 Population
South Carolina compared with the United States**



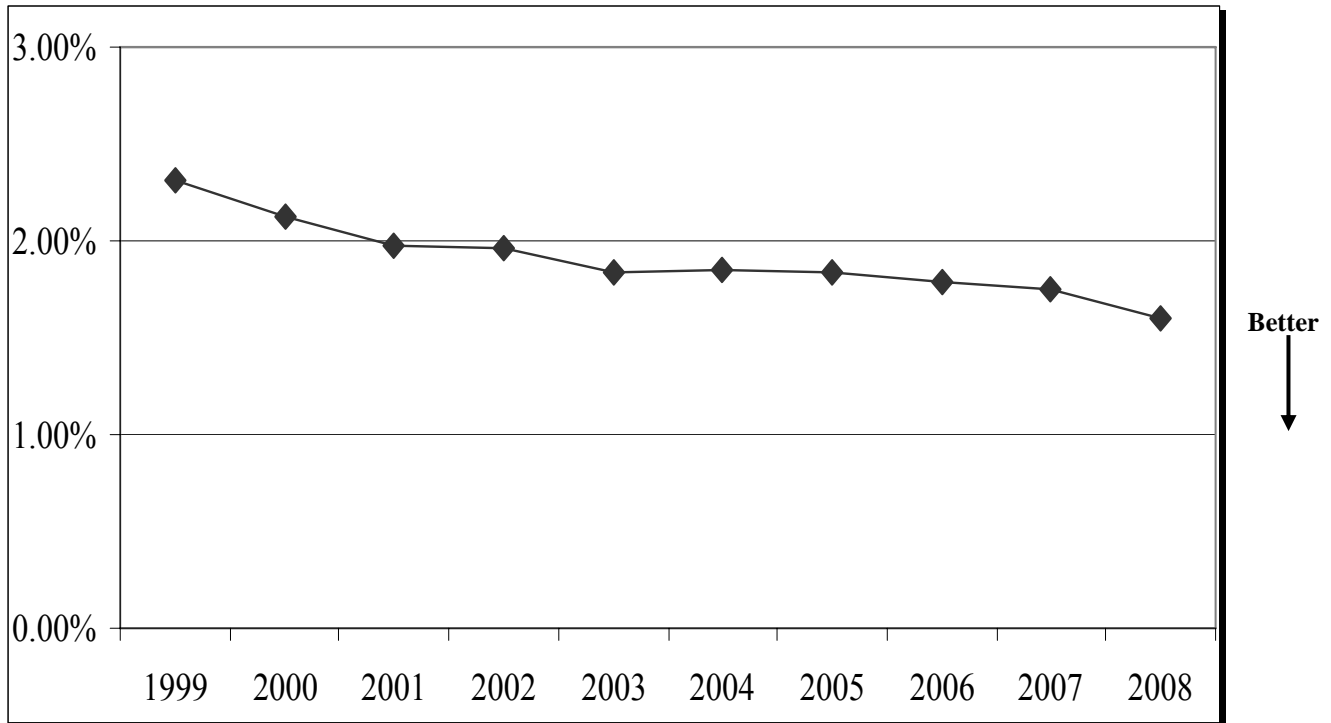
DDSN's rate of consumers with developmental disabilities placed in nursing homes has been much lower than the United States rate for the past several years. In South Carolina, just 5.2 individuals with developmental disabilities per 100,000 of the general population are served in traditional nursing facilities. This represents DDSN's effort to respond to consumer demand for other service alternatives and to ensure that individuals with developmental disabilities requiring specialized residential services are most appropriately placed. As with the general United States population, people with lifelong disabilities are living longer. The majority of both groups prefer to receive services in their own homes and communities.

Data Source:

Residential Services for Persons with Development Disabilities: Status and Trends through 2004, 2005, 2006, and 2007 published by The University of Minnesota

Figure 7.2-9

South Carolina Department of Disabilities and Special Needs Administration Expenses as a Percentage of Total Expenses



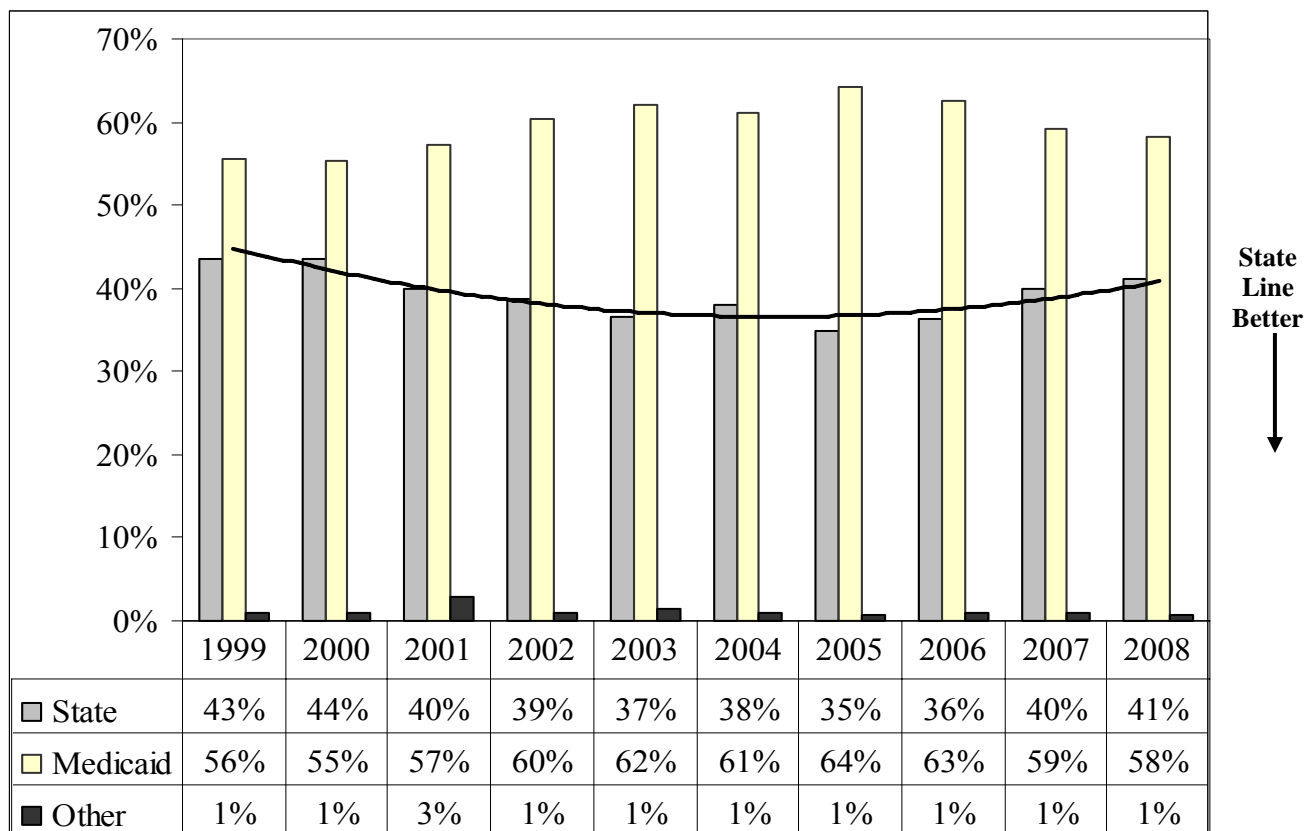
DDSN has aggressively shifted resources over the past few years in order to meet the priorities of the agency without additional funding. During the last ten years, DDSN's administration FTE's were reduced by over 25% through retargeting resources/FTE reduction provisos, attrition, and reductions in force. Central Office administrative expenses have decreased to less than 2% of total expenses even though there has been an increase in the need for services, the number of people served, and an increased scope of services. Administrative savings were redirected to state reductions and in-home family support and residential services thereby reducing the need for additional state dollars.

Data Source:
Agency data provided by DDSN

Figure 7.3-3

South Carolina Department of Disabilities and Special Needs Maximizing the Use of Limited State Dollars

Chart A



DDSN used Medicaid financing to pay for 63% of service costs compared to a 52% national average for fiscal year 2006. During the period from 1999-2008, DDSN reduced its use of state funds by 5%.

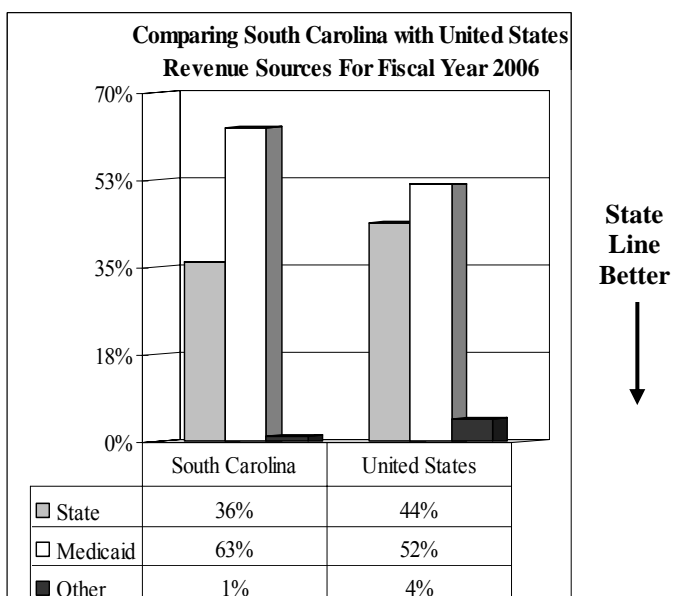
43% of the cost of services was funded with state dollars in fiscal year 1999 but by fiscal year 2008, that percentage dropped to 41% with Medicaid financing 58% of the total cost.

Data Source:

Chart A & B - Agency data provided by DDSN

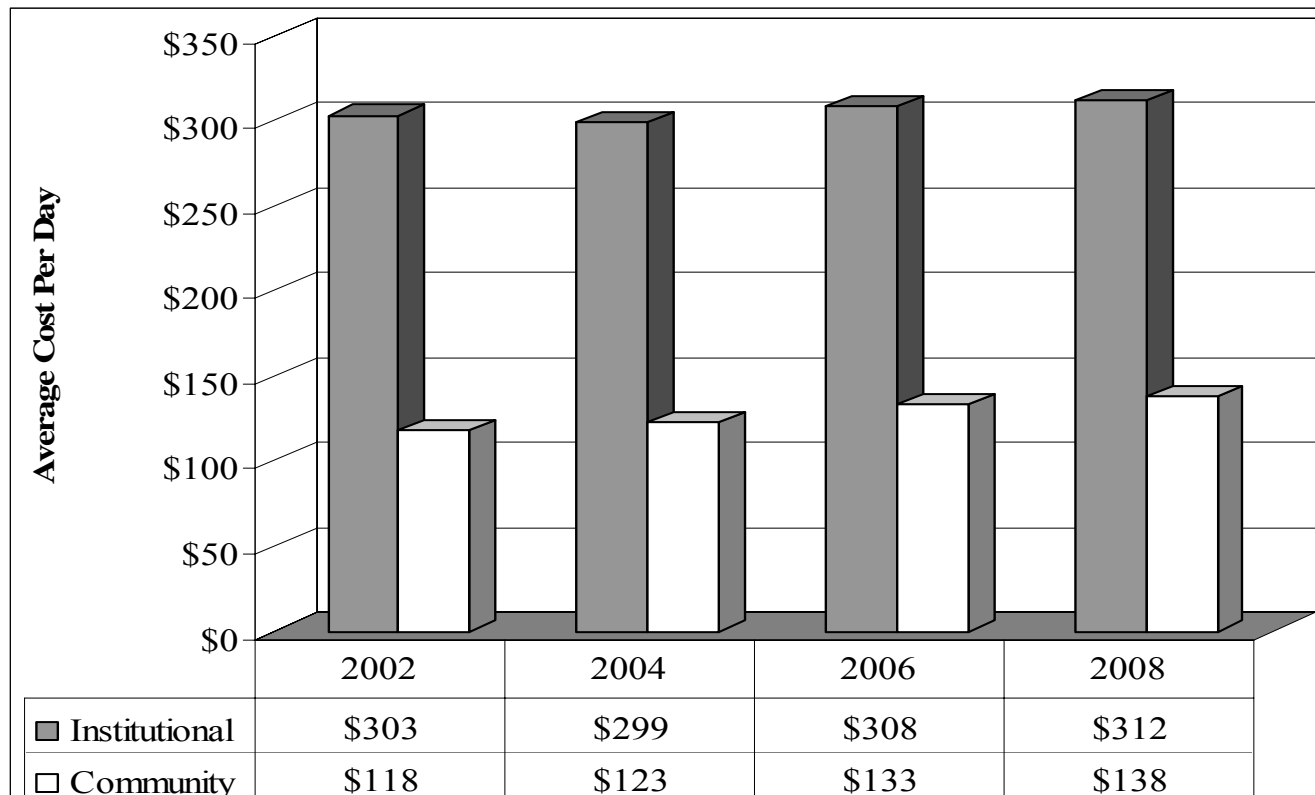
Chart B - United States data provided by The State of the States in Developmental Disabilities: 2008 published by The University of Colorado

Chart B



**South Carolina Department of Disabilities and Special Needs
Average Cost per Day for Residential Services
Institutional versus Community Residential**

Chart A



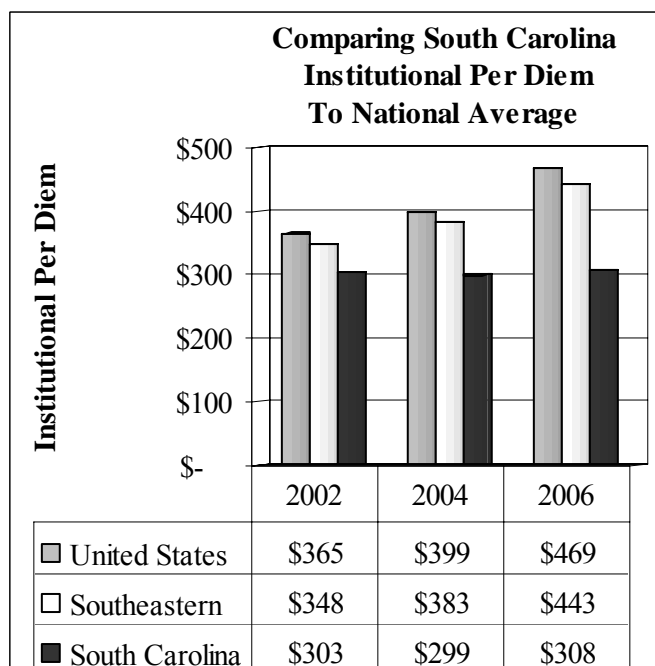
DDSN provides residential services in a very cost efficient manner as shown in Chart A. DDSN's community residential services continue to be less than one half of the institutional (regional center) daily cost. South Carolina's institutional per diem is far less than the United States or even the Southeastern average. DDSN's residential rate is 33% less than the national rate.

Data Source:

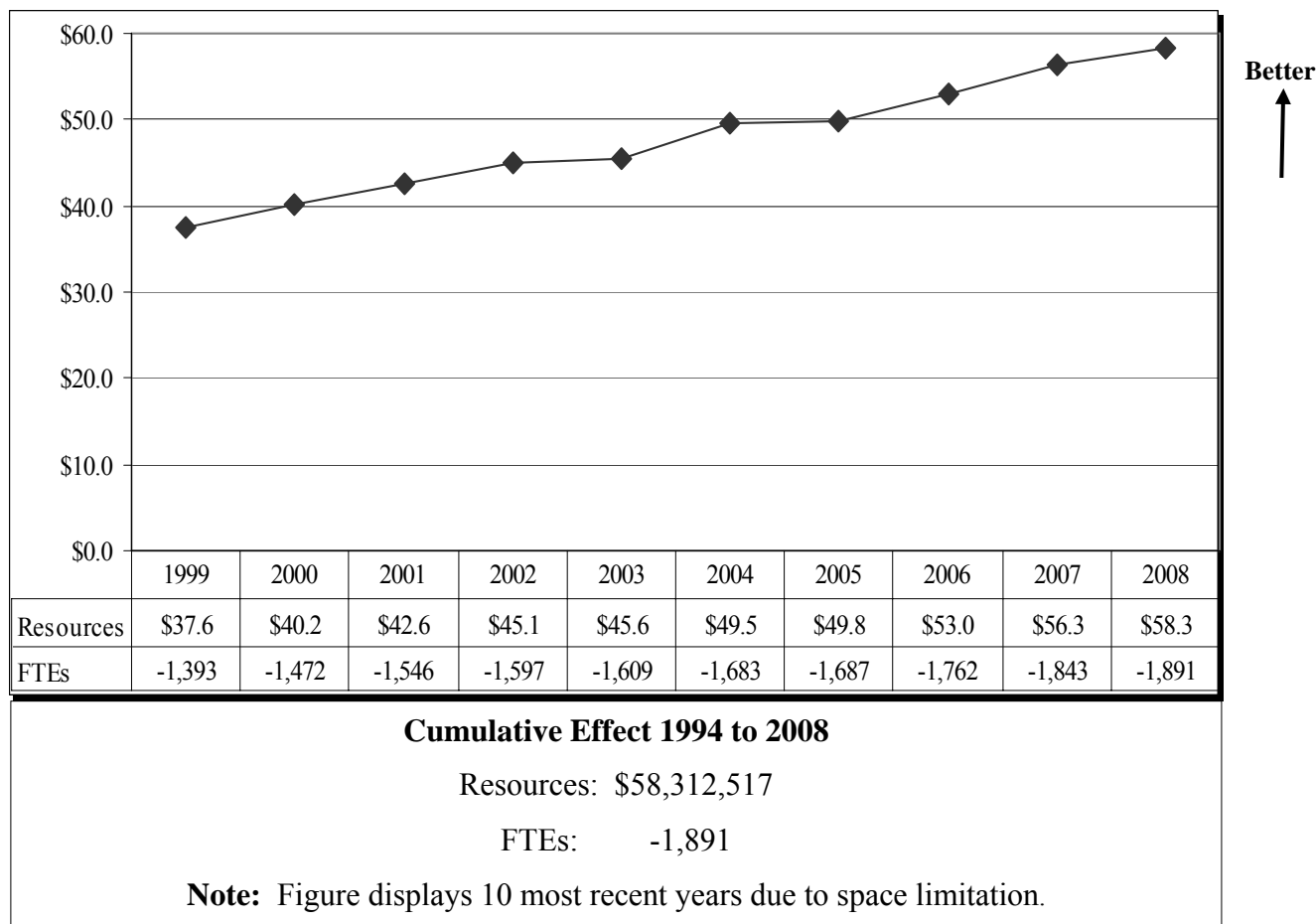
Chart A- Community data provided by DDSN

Chart B - The State of the States in Developmental Disabilities: 2006 and 2008 published by The University of Colorado

Chart B



**South Carolina Department of Disabilities and Special Needs
Agency Resources Redirected to Community Services
Cumulative Totals from Fiscal Year 1999 to 2008**



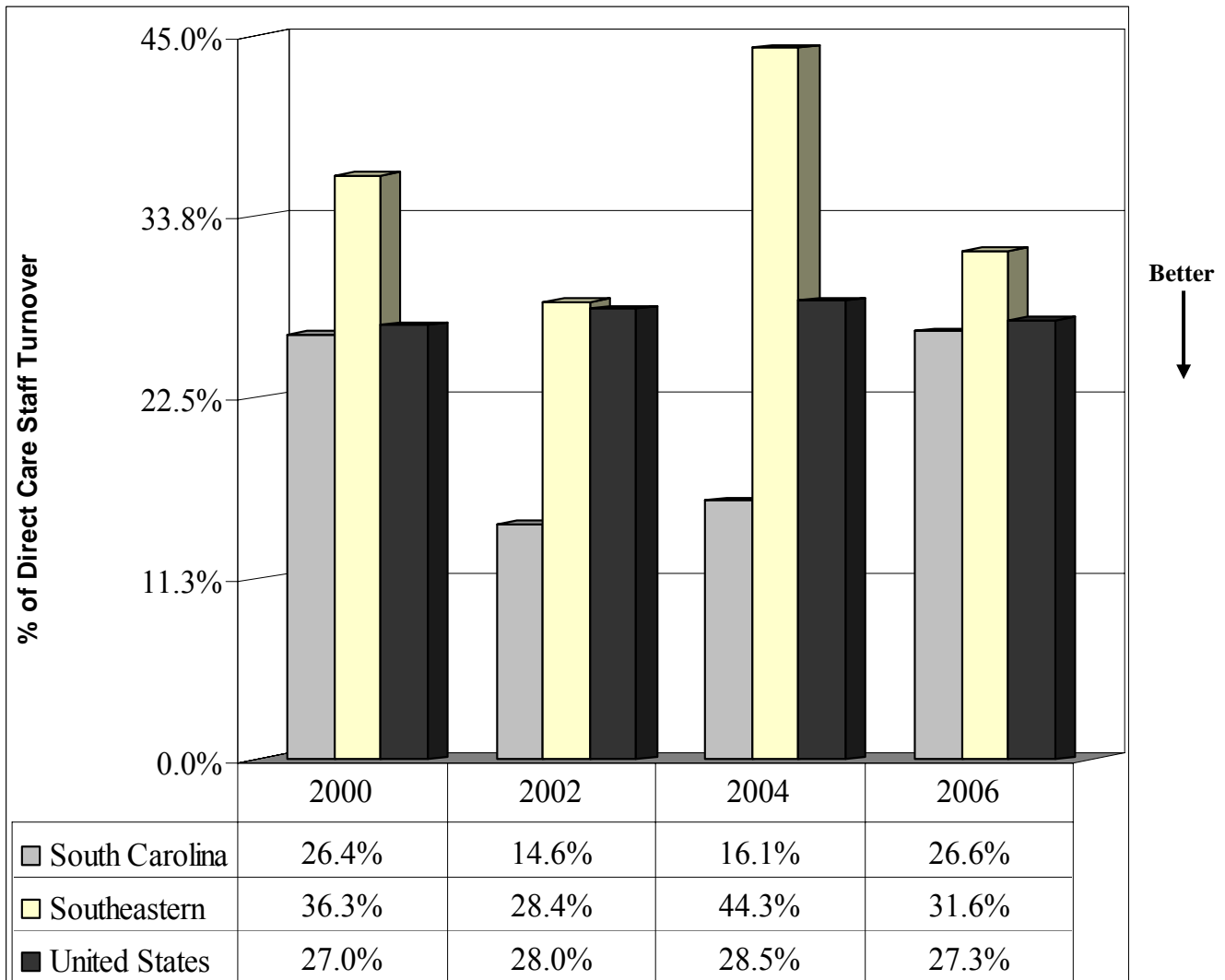
Since implementing the “money follows the individual” (MFI) formula in fiscal year 1992, more than \$58,000,000 has been redirected to local community services along with the individuals who moved from regional centers. These 1,028 individuals moved to smaller group home residential settings, usually located closer to the individual’s home community. Another result is the reduction of 1,891 DDSN permanent workforce positions (FTEs).

While South Carolina has a fourteen year history of utilizing the MFI formula, only recently has this become a national effort. Therefore, national data is not comparable at this time. The federal government only recently began giving states grants to help with this effort.

Data Source:
Agency data provided by DDSN

Figure 7.4-1

South Carolina Department of Disabilities and Special Needs
Institutional Direct Care Staff Turnover Rate
Comparing South Carolina with United States



The direct care staff in the regional centers (institutions) are in many ways a surrogate family to the consumers who live there. Important personal bonds are formed between the direct care staff and the consumers served. Staff have a substantial impact on consumers and therefore when the turnover of the direct care staff can be minimized, the consumer's quality of life is enhanced. The rate of turnover in the direct care workforce in South Carolina's regional centers is lower than the national rate. While the state's rate went up significantly, it is thought that this change reflects the economic improvement experienced in South Carolina during this time. When comparing South Carolina staff turnover rate to states in the Southeastern part of the United States, where economic conditions are more analogous, South Carolina compares even more favorably.

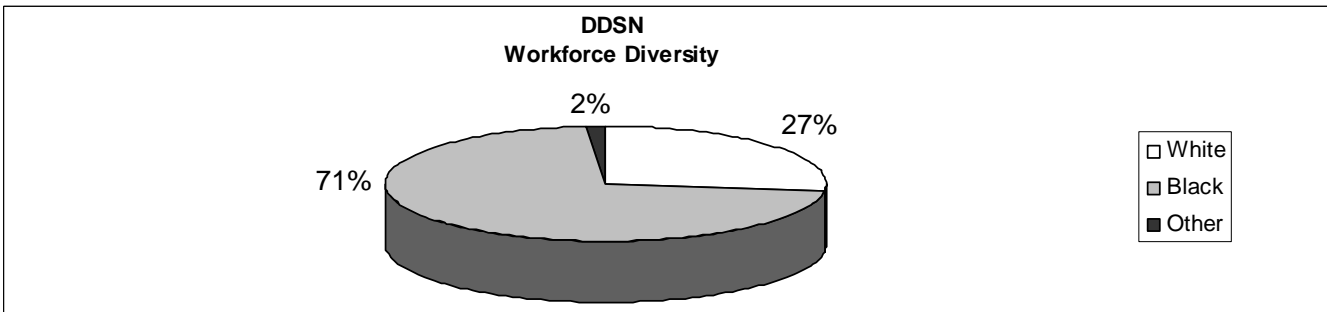
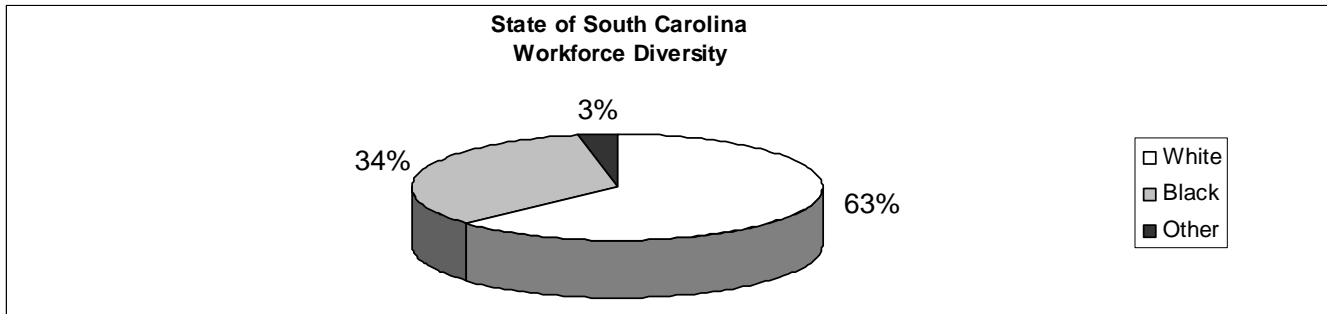
Data Source:

Residential Services for Person with Developmental Disabilities: Status and Trends through 2000, 2002, 2004, and 2006 published by The University of Minnesota

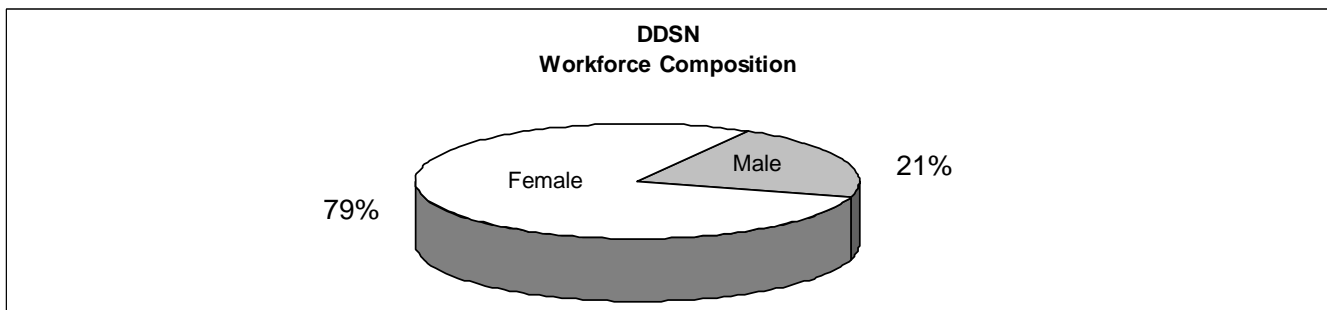
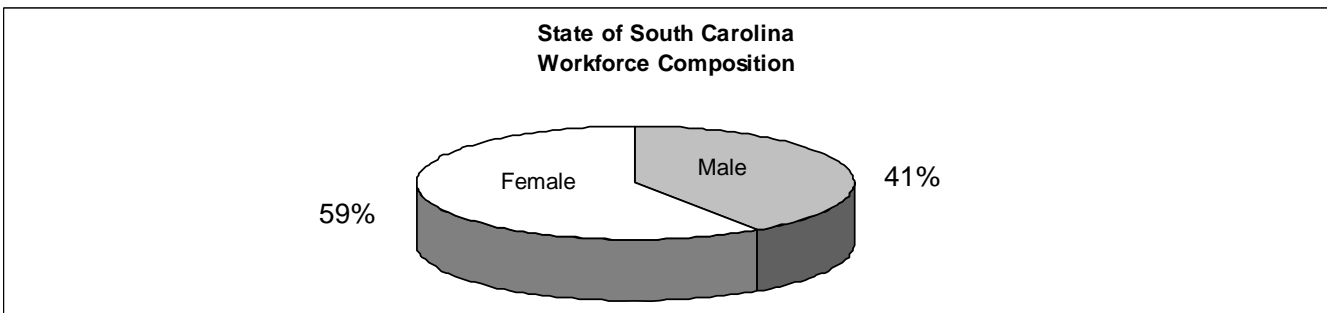
Figure 7.4-2

Section III:
Category 5 - Workforce Focus

**South Carolina Department of Disabilities & Special Needs
Work Force Diversity
Comparing the State of South Carolina with DDSN**



This chart reflects workforce diversity and how DDSN compares with the total State employee workforce.



This chart reflects the hiring by gender, and how DDSN compares with the total State employee workforce.

Data Source:

DDSN data provided by DDSN

State of South Carolina data provided by Human Affairs Commission Annual Report 2008